

A UTOPIAN HERITAGE



THE FAIRHOPE SINGLE TAX COLONY

By Paul M. Gaston



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FOREWORD

America's interest in local history as a vehicle for discovering our roots has increased dramatically

over the past two decades. Southerners, in particular, have always been concerned with the history and heritage of their families and communities. Consequently, history has become the public's strongest tie to the humanities, the academic disciplines concerned with what it means to be human. The following essay by Paul Gaston, professor of history at the University of Virginia, provides a model for how to study local, or nearby, history and enlightens us about an overlooked chapter in Alabama's history.

Professor Gaston's study of Fairhope shows the importance of nearby history, which focuses not on national or international events and leaders but on the immediate environment—the community, the neighborhood, the family or the individual. This approach to history explores the lives of ordinary people through diaries, newspapers, photographs, maps, and artifacts. Professor Gaston's study confirms William Shakespeare's observation that, "There is a history in all men's lives."

Furthermore, this study demonstrates how nearby history is most fruitful when studied not in a vacuum but within the context of state, national and international history. Recognizing the link between the personal and the communal, between the particular and the universal, is what distinguishes nearby history from parochial, antiquarian pursuits. Such a perspective can also counteract possible distortions in broad, generalized studies. For example, the study of Fairhope's history requires an understanding of the Progressive movement, the social ills it addressed, its leadership, and the national impact of this reform movement. Without this broad view, the hopes and dreams of the Fairhoppers are difficult to understand. But the local focus is as illuminating as the national, when you look at how the Single Tax Colony instituted the theories of Henry George, or how Fairhope's School of Organic Education was built on the principles of John Dewey's philosophy of education.

Beyond its significance for American history, the study of Fairhope also sheds light on this community's tie with the Western tradition of utopian thought and literature beginning with Plato's *Republic*. The history of Fairhope reveals the universality and enduring fascination with questions about the nature of justice and the capacity of human nature for realizing the just society.

Dedicated to promoting the public's understanding and use of the humanities, the Alabama Humanities Foundation hopes that this study will lead Alabamians to investigate their own nearby history and to develop a historical perspective on what is both unique and universal in the stories of their own communities.

Cover

A party of Fairhoppers dressed well for this picnic in 1900.

IN THE WINTER

of 1893-94 the United States was deep in a great depression. Soup kitchens, violent struggles for survival, loss of faith in the fairness of American society—these were some of the troubling signs of the times. In Des Moines, Iowa, a thirty-two-year-old journalist and reformer named Ernest B. Gaston blasted the “hideous injustice and cruelty” and the “enormous waste of human energy and natural resources” which he saw all around him. They made a mockery of the American dream and convinced him that “The present social and economic order is doomed. . . . It must go!” On January 4, 1894, twelve friends and fellow reformers came to his office to hear him outline a plan of action to help their country rechart its course and find a practical way of fulfilling its democratic promise.

The Fairhope Single Tax Colony was the result of that meeting.

The dozen men who met with Gaston that day were members of the recently formed Populist Party. They had worked for its democratic, anti-monopolistic platform but poor election results made them ready for other reform suggestions. They were receptive when their friends urged them to consider creating their own community—an alternative society that would be built on principles they believed were right and fair. Such a community could be both a haven for themselves and a model for the nation to copy.

Americans of the 1980s are not likely to think that the problems of poverty and injustice can be attacked by withdrawing from the larger world to create self-contained, model communities. But in the 1890s such thoughts were not so far fetched. The combination of widespread suffering and creative imagination resulted in the publication of utopian novels, the creation of utopian societies, and the planting of utopian communities.

Utopian dreams are as old as recorded history. They have fired the imaginations of many great writers and philosophers, including men as different in temperament and time as Plato, Thomas More, and Edward Bellamy. To some people utopia represents the unreal or the impossible, something that stands in opposition to the world as it really is or must be. To others utopia suggests the best ideals and dreams men and women are capable of, the source of the vision and moral fervor that make possible a better life. For these people utopia may be both an expression of what we might become as well as a comment on what we are that we wish we were not.

In the United States the utopian impulse has sometimes brought sweeping changes to society, as in the case of abolitionism, prohibitionism, and the civil rights movement. More often, especially when it has taken the form of experimental communities, it has demonstrated the common American need to express new versions of the good life that may make society more humane and bring to light unimagined possibilities.

The dream of a more cooperative, harmonious life was common among the utopian colonies founded in the late nineteenth century. Most required that property be owned collectively and that a few colony officers



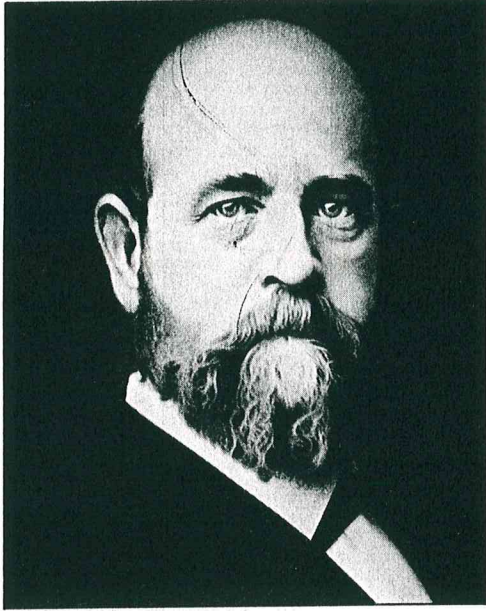
decide what would be produced and by whom. Fairhope's founders agreed that unbridled individualism was a curse, but they did not wish to go so far as their socialist allies in curbing individual action. To balance the competing needs of society and the individual, they adopted a program they called "cooperative individualism." They believed this program would foster individual initiative as well as economic cooperation and social responsibility.

The man who guided them to this solution was Henry George, the most widely read political economist of his age and one of the most influential reformers in American history. George's most famous book was *Progress and Poverty*. Published in 1879, it shocked Americans with its graphic descriptions of poverty and deprivation. But it also inspired many with its eloquent language and reassuring faith that the problems could be solved.

According to George, poverty, exploitation, lack of opportunity, and the widely unequal distribution of wealth and privilege resulted from the monopoly of scarce resources, the private ownership of land. To banish the evils and to assure equal access to the earth it was necessary to make land common property. This was George's principal reform proposal. The government need not nationalize land to accomplish the reform. Instead, it would nationalize the income from land by levying a tax on the value of the land—what the economists call the economic rent of land—and

Ernest B. Gaston and his family posed for this photograph just before leaving Iowa for their Alabama single-tax experiment.





In 1879 Henry George wrote *Progress and Poverty* which inspired the Fairhope single-tax demonstration.

then abolish all other taxes. For this reason George's proposal came to be known as the single-tax program, and his followers known as single taxers.

To put this idea to a practical test, Fairhope's architects created a land-owning association: all colony land would belong to the community. No individual could own land. But all members would have equal access to their common property. Each would lease land from the association, paying into the treasury an annual rent, or use fee, based on the value of the leased land. Land values, Georgeists believed, were created by the whole community, not by individual actions. Favorably situated land, because of community presence and demand, had a greater value than unfavorably situated land. Thus, rental payments would be a kind of return to the community of community-created values, to be used for the common good.

While Gaston and his fellow single-taxers were still in Iowa, they wrote a colony constitution stressing democracy and cooperation. Every member, female as well as male, could vote. Final authority rested with

the members, who could overrule the governing council. Elections were to be frequent and terms of office short. The will of the people could be expressed directly through the initiative, referendum, and recall. The council, with the advice of the members, would set land rents. All natural monopolies—public utilities and public services—were to be owned and administered by the colony. Cooperation and democratic government, the founders believed, would result in a productive community free from coercion.

The experiment found its name when a member remarked that the colony had a fair hope of success. Thereafter the members called themselves Fairhoppers. Two of them scouted the South, where land was inexpensive and winters mild, for a colony site during the summer of 1894, and their descriptions of places ran in the *Fairhope Courier*, the colony newspaper. In September the members chose a site on the eastern shore of Mobile Bay in Alabama after reading lyrical descriptions making it sound like Shangri-la.

Elected colony secretary and editor of the newspaper—positions he would hold for forty years—Gaston led the first party of twenty-eight settlers, nine of them children, to their "promised land" in November 1894. They were men and women of little means trying to build a model community on land that was seductively beautiful but which turned out to be economically sub-marginal. Nevertheless the fair hope of success became a happy reality within a decade. The colony flourished, attracted curious visitors from afar, and made its mark as a unique experiment.

The first land—135 acres with a half-mile frontage on the Bay—was acquired in January 1895. Holdings increased to about 4,000 acres by 1907. Friends and benefactors of the colony, men like the Philadelphia soap manufacturer Joseph Fels, gave the money for most land acquisitions. The

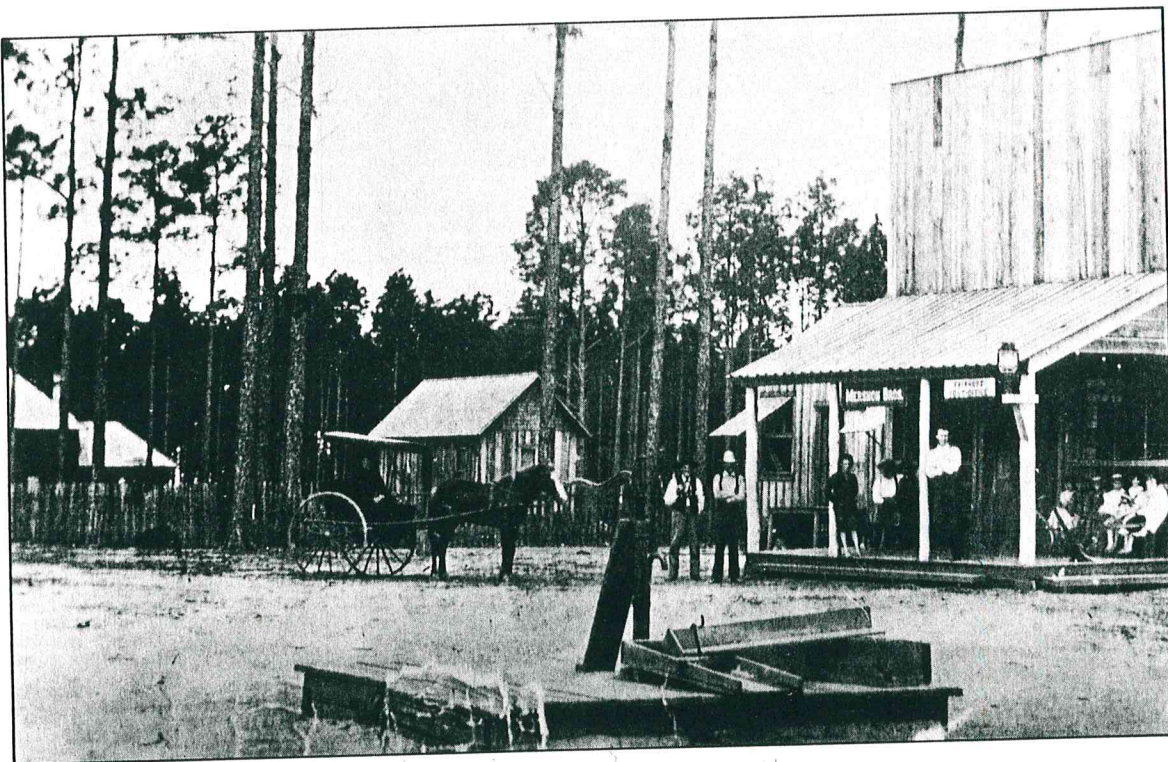
land formed an irregular pattern, extending inland from the Bay as much as four miles, and was devoted primarily to farming. The residential and business sections occupied a compact area near the Bay. All the land was free for the asking, requiring only an annual rent payment for its use.

The colony reserved the most beautiful bluff and beach property for parks, a reflection of the belief that no individual should own scarce community resources. All would share in the riches nature provided. The Bay brought the Fairhoppers together for recreation, fishing, and commerce. Public meetings and social gatherings took place on the bluff or the beach below. Since boat travel to Mobile provided the only access to the outside world, the colonists built a wharf at their first opportunity and later fashioned their own steamer. Meeting the daily boats was a major Fairhope social and business occasion until the construction of a causeway in the 1920s made possible automobile travel to Mobile.

Other cooperative ventures included the laying out of tree-lined streets which early plans show as widening toward the Bay, giving all lessees a bay view; bath houses and pavilions; a public water supply; a telephone system; a well-stocked public library; a meeting hall; a school; and several small commercial enterprises.

Physically attractive and intellectually stimulating, Fairhope appealed to visitors almost from the beginning. Tourism was quickly rooted in community life. The population steadily grew, supported by subsistence and truck farming, fishing, and ancillary trades and professions. The village of a hundred residents in 1900 became a thriving town of 1,549 by 1930.

Mershon Brothers store buzzed with commercial activity in early Fairhope.





The wharf was a center of social life in Fairhope in the 1920s.

This rapid growth owed in large part to the colony's free-land policies—nowhere else could a person of modest means find a free site for a home, a business, or a farm.

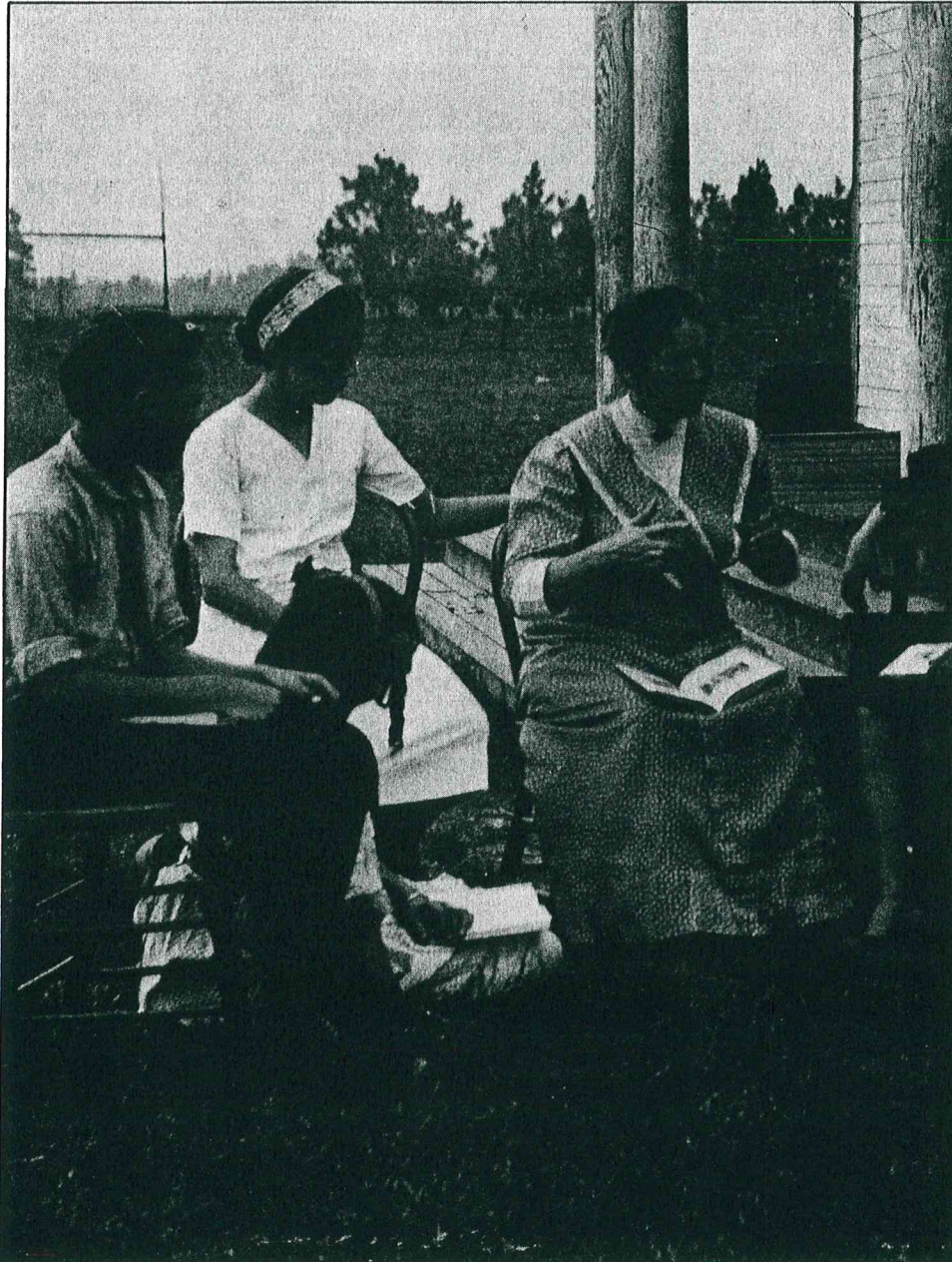
Also contributing to the growth was Fairhope's unique intellectual and cultural environment. One early resident testified to the existence of a special "spirit of Fairhope" that attracted reformers to the colony. "No matter how great the number of subjects upon which Fairhoppers may disagree," she wrote, "they are united on one subject: namely, that there is something wrong with the present economic system. There may be a wide difference of opinion as to just what is the matter, and as to the best remedy; but the very fact of their presence in Fairhope proves that they think the principle it is applying is *one* way out, and presumably the best they know.

"The unity of thought and purpose upon this subject, and the willingness of a large majority to make almost any personal sacrifice in order to further the community interests creates an atmosphere of sympathy and comradeship that is the strongest and pleasantest impression any one will carry away from Fairhope. . . . No one can understand, until he has experienced the comradeship of a common interest, what a dead thing existence is without this vital element."

Success did not save Fairhope from controversy and disappointment. The colony made two decisions in the early years that, while they seemed

necessary to survival at the time, compromised and ultimately undermined the effectiveness of the experiment.

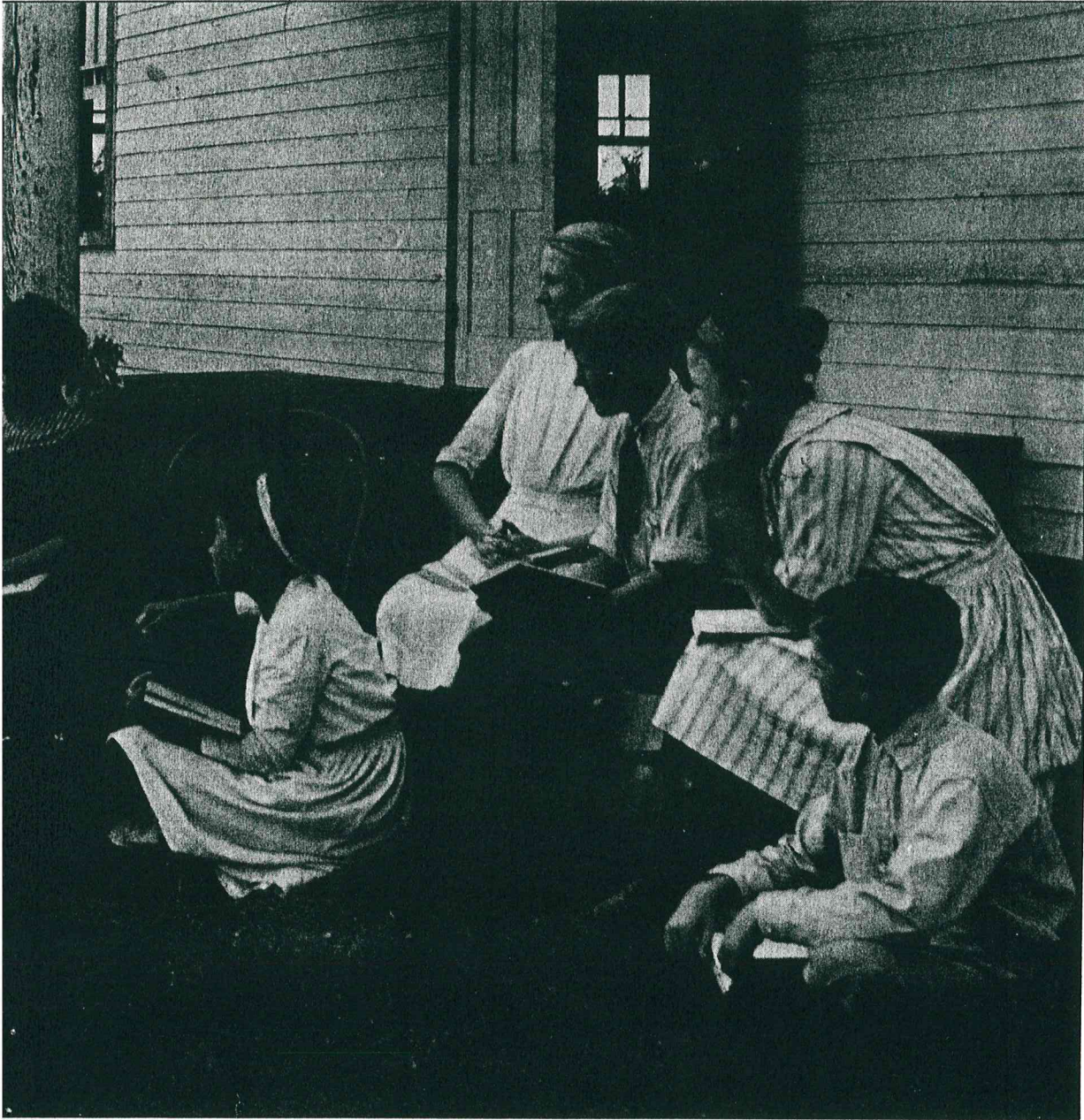
The colonists had intended that their community include only those who believed in its principles and paid the \$100 membership fee to join. Too few persons, however, were either willing or able to make this commitment. The choice for colony leaders was either to end the experiment or open it to non-members. To continue what they called their "demonstra-



*Marietta Johnson
often held her classes
outdoors.*

tion" of the single-tax theory, they needed settlers to develop the land.

After experimenting with several alternatives, the council made lands available to non-members on the same terms as to members. The hope was that these lessees would see the virtues of the single-tax doctrine and join the association. Instead, non-member lessees found they could have all the material benefits of the experiment without paying the membership fee. The result was the growth of a large class of non-member lessees.

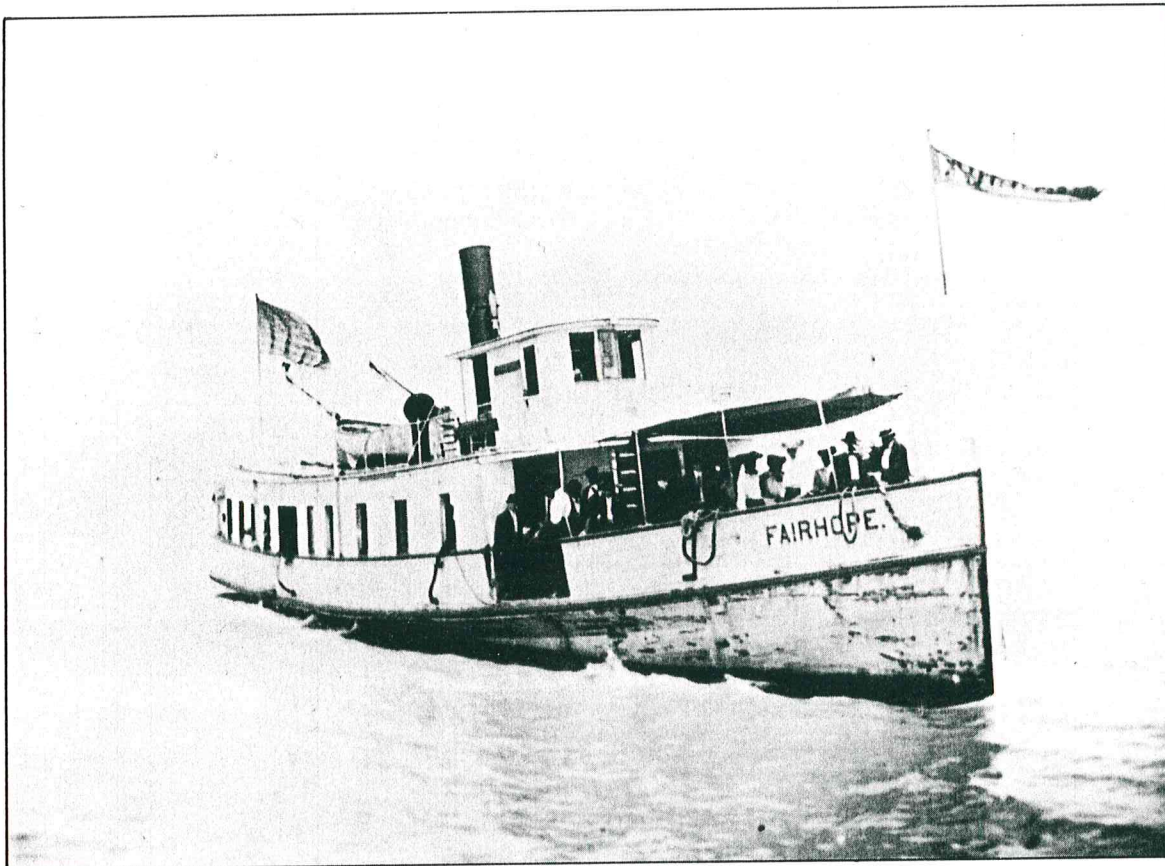


Some turned out to be friends and admirers of the colony and many were indifferent to it. But some became opponents who led protests against the colony.

The second fateful decision was the incorporation of the municipality of Fairhope in 1908. The new one-square-mile town included within its boundaries privately owned as well as colony land, thus giving rise to two land-tenure systems within a single municipality. This diluted Fairhope's effectiveness as a single-tax demonstration. Over the years the colony gave the town government the public improvements that stood as visible proof of the demonstration's success. The water system, the wharf, the park lands, and the public library became municipal property, no longer identified with the colony.

For many years, however, the effects of these two decisions did not seem to undermine the demonstration. Colony land was more in demand and more intensively developed than deeded land, and the colonists played prominent roles in both town and colony government for several decades more. However much it may have lost its purity, Fairhope was unmistakably "the single tax colony," unique among communitarian experiments and almost totally different from all other small southern towns.

*Built on the beach,
the steamer Fairhope
connected the single
taxers with Mobile
and the outside
world.*



Adding to that distinctiveness and giving new significance to the Fairhope demonstration was the founding in 1907 of the School of Organic Education, the creation of a Minnesota school teacher named Marietta Johnson. Before Johnson joined them, the Fairhoppers were traditional in their ideas about rearing and educating their youth. A follower of John Dewey, America's most famous philosopher of progressive education, Johnson argued that children reared on the obsessively competitive ethic of the American school system were unlikely to grow up to be the kind of cooperative, reform-minded, justice-oriented citizens the Fairhoppers wanted to produce. The single tax alone would not bring about cooperative individualism, she said; it needed an educational basis as well.

Johnson believed that schools should be small communities where cooperative, egalitarian ideals infused the everyday experience of children. Children should not be motivated by putting them in competition with one another. She did away with examinations, marks, promotions, failures, honors, and prizes. Education, Johnson said, should be the growth of the whole person, hence the term "organic." Her curriculum mixed dancing, arts, crafts, music, drama, and games with nature study and all the conventional academic subjects, placing all on a par. Natural, free development was what she hoped for in her pupils.

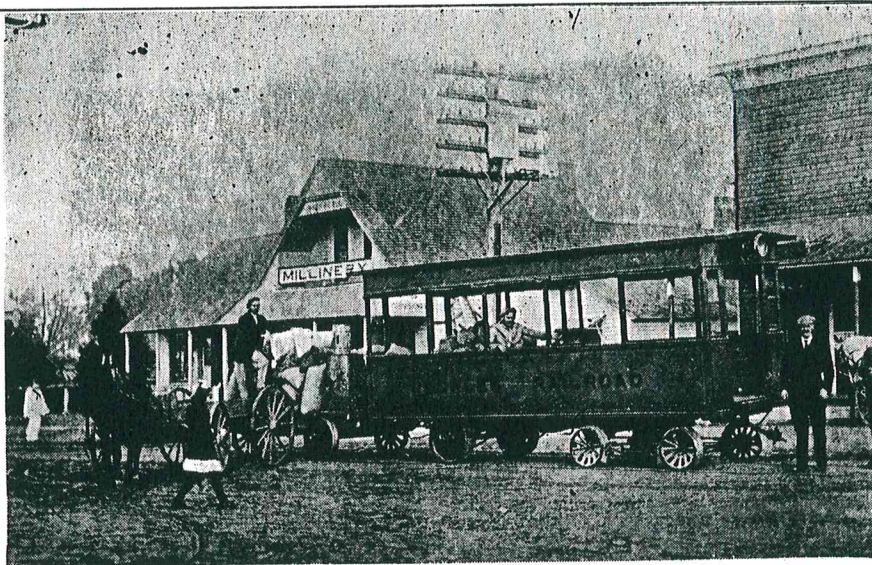
Students at the Organic School did sums on the gully wall rather than at the blackboard.



The Peoples Railroad is one of the Fairhope institutions deserving the support of all interested in the Single Tax and in public ownership of public utilities.

While demonstrating the advantages of public over private ownership of the railroads highways it is a great help in developing the land of the Single Tax Colony, and thereby increasing the effectiveness of its demonstration of the wisdom of taking land values for public use.

Write the president for particulars.



Peoples Railroad Motor Car No. 1, Fairhope, Ala.

The colony used postcards to promote its philosophy of public ownership of utilities.

Dewey visited the school in 1913 and called it a demonstration of “how the ideal of equality of opportunity for all is to be transmuted into reality.” The endorsement helped to make Johnson a prominent figure in the national progressive education movement and turned Fairhope into something of an educational laboratory. Meanwhile, the school became, like the Bay front, a focal point of the Fairhope community with the charismatic Marietta Johnson presiding over its activities. On its ten-acre colony plot near the town center, the school hosted community meetings where the links between organic education and the single tax were discussed.

By the 1920s Fairhope was a mature social experiment. An engaging sense of community was noted by visitors, some of them famous, who came in large numbers—to put their children in the school, exchange views with the single taxers, free thinkers, artists, and mavericks of the community. Equally impressive were the industry and sense of well being of the community’s ordinary people—its majority who prospered because of the availability of free land. With no rich people and few who were poor; with no hierarchy, pretension, or ostentatious homes, Fairhope seemed to many observers to demonstrate the virtues of Henry George’s economic theories and John Dewey’s educational philosophy.

Fairhoppers believed that their model community gave the nation an example to copy. But at the height of its fame in the 1920s, Fairhope was no closer to converting the nation to its economic program than it had been

a quarter-century earlier. Even in the other areas around Mobile Bay, where the experiment's success was evident, no movement ever arose to adopt the Fairhope principle of land-value taxation and public ownership of utilities. The colony never developed a method for spreading its ideas and influence, and the favorable reports written about it inspired interest and admiration but not emulation.

As if to underscore the difficulty of converting others, the colonists themselves sometimes divided over how to apply their principles. In the 1920s, for example, the Florida land boom spread to the area and set off a speculative fever. To keep intact the principle of the single tax and to prevent private speculation on colony leases, the colony began rejecting lease transfers when speculation was apparent. The policy was hotly debated then and would be challenged a half-century later by non-member lessees when another land boom swept the area.

With the coming of the Great Depression of the 1930s, Fairhope's prospects dimmed. For both the colony and the school the Depression meant diminished funds, the shrinking of outside interest and support, and the passing of the old leadership. E.B. Gaston died in 1937, Marietta Johnson in 1938. Both passed away with pride in the achievements of their respective ventures, but also with anxiety about the future of their demonstrations. But Fairhope survived the crisis of the Depression, grew during the war years, and prospered in the era since. Almost eight thousand people live there now, but few of them are supporters of the single tax or organic education.

The colony constitution, adopted ninety-two years ago, declared that Fairhope's purpose "shall be to establish and conduct a model community or colony, free from all forms of private monopoly, and to secure to its members therein, equality of opportunity, the full reward of individual efforts and the benefits of co-operation in matters of general concern."

The pursuit and expansion of that goal and the flowering of the spirit of Fairhope described in these pages constitute a unique utopian heritage, a legacy with many messages for those who live today.