
Report of the Colonization Commission to the First Annual Convention of the Social Democracy of America: Delivered June 9, 1898.

by C.F. Willard

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The Colonization Commission of the Social Democracy of America desires to submit herewith its first annual report to the National Council in convention assembled. The full report of the work done cannot be given in detail and must be summarized so as to give the most salient points.

We stand at the inception of our long-desired Cooperative Commonwealth. The plans which we have outlined we believe will enable us to supplant that system which has been in existence for nearly 200 years. If we have not abolished it in the 10 months that the commission has been organized, as many of our impatient members expected, it is the fault of the system and not the fault of the commission. Despite the war scare, which has depleted the ranks of the organization in general to some extent, the work of the commission has continued with a steadfast object in view.

The members of the commission were appointed on August 2, 1897, and organized with a choice of Col. R.J. Hinton of Washington, DC, as Chairman; C.F. Willard of Chicago, Secretary; and W.P. Borland of Bay City, Mich., as Treasurer.

As soon as organized, the next question was to begin operations immediately. We were then beset with the question of lack of funds, which has continued to hamper our work all through the year. The commission being dependent upon voluntary contributions, no funds were in hand, and steps had to be taken to secure some. The Secretary of the commission being in Chicago, it was decided that he should take steps to organize the work and secure the needed funds. Cir-

culars were drawn up asking for voluntary contributions, and a daily cooperative fund box was also inaugurated, which brought in good results. On Sept. 17, 1897, Comrade Borland arrived from his home and assumed his duties as Treasurer of the commission. By correspondence between the members of the commission, an agreement had been reached which related to the future work of the commission. This was in the nature of a confidential report to the National Executive Board, and was submitted Aug. 15 [1897]. It provided that the land and instruments of production should be collective property and that the trustees should be selected in the persons of the members of the National Executive Board as representing the Social Democracy of America. This confidential report forms practically the basis of all our actions since that time.

On Sept. 20, 1897, the Treasurer of the commission [Borland] was appointed as editor of *The Social Democrat*, and his necessary absorption in the duties of that office has prevented the development of the plans of the commission as originally outlined, and as fast as desired, but such action appeared necessary at the time to the members of the National Executive Board on account of the lack of money in their treasury and the impossibility of securing and paying for the services of someone else equally as able. This land of funds has likewise compelled Comrade Hinton to remain, except for a short time, at his present occupation since the commission was not in a position to pay him for continuous services.

With the dearth of funds then existing, on Sept.

25, 1897, a proposition was received from a real estate dealer by the name of Charles B. Moling of Columbus, Ohio, that the commission inspect certain lands that he had for sale in Tennessee, and that he would pay the traveling expenses of two members of the commission to inspect this land. It was decided by the commission that Chairman Hinton and Secretary Willard should be the two to inspect the property, as it would give them the opportunity to meet and discuss matters in relation to the work of the commission which their lack of funds had hitherto prevented them from doing. Accordingly these two commissioners met in the city of Nashville on Sept. 25 and outlined various methods of work for the commission in the future. A visit was then paid to the land on the Cumberland tableland near Crossville, in the county of Cumberland, where said land is located. Commissioners Hinton and Willard spent nearly a week in making the investigation, driving over the plateau in various directions to the extent of 130 miles. The result of the examination is contained in the report upon this Tennessee land, which is herewith submitted as a part of the report of the commission. Briefly stated, it may be said that here is an area of 400,000 acres which can be secured at an average price of \$4 per acre. It has been assumed, and in fact guaranteed, that bonds to the amount of \$2,500,000 could be sold to cover the purchase price and leave a surplus of \$900,000 to operate the property, build factories, equip workshops, supply transportation, and increase the organization. It has been suggested that an amount equal to 3 years' interest could be set aside out of the principal to provide for the payment of interest for the first 3 years of the existence of the colony in this location.

The resources of this region are superb; the climate is unexcelled, water excellent and abundant; the agricultural possibilities good, the soil not extremely rich, but fairly productive; timber abundant; coal likewise in thick veins of best quality; iron and nearly all other metals likewise present in more or less abundance, while building stone, clays, and sands are likewise present in sufficient quantity.

The variety of resources enables the complete circle of production to be consummated, and would enable a self-sustaining cooperative commonwealth in miniature to be established there which would not be obliged to depend upon any other region for supplies.

On Oct. 4, Comrade Willard arrived at Chicago headquarters and reported these facts to Comrade Borland and the various features of the question were gone over carefully.

On Oct. 7 it was decided that as the matter was of such importance, Comrades Hinton and Willard should meet Comrade Debs in New York and lay the matter before him as Chairman of the National Executive Board. This was done on Oct. 10, when Comrades Debs, Hinton, and Willard met at the Continental Hotel in New York and entered into a conference with Mr. Charles B. Moling of Columbus, Ohio, and Mr. Joseph Huffaker of Louisville, Ky., who were engaging to sell this property. At this meeting the whole Tennessee proposition was gone into in detail, including the matter of the land, its price, and the method of raising the money to pay for it. Comrade Debs, as Chairman of the National Executive Board, agreed to the plans of the commission as outlined in its report and did it the honor to say to one of these gentlemen who was negotiating the sale that he had the utmost confidence in the wisdom, judgment, and integrity of the members of the commission.

On Oct. 24 Comrade Hinton arrived in Chicago from Washington, and on the 25th the three members of the Colonization Commission assembled together for the first time. At that meeting of the commission the various work done hitherto by the commission was submitted and accepted, and it was formally decided that the acquisition of the land on the Cumberland tableland by the Colonization Commission should be undertaken and proceeded with as rapidly as possible. It was decided at this meeting likewise that Commissioners Willard and Hinton should travel west and endeavor to inspect lands in Washington and Idaho as originally contemplated, since it would require considerable time to carry through a transaction of such importance in Tennessee.

The three members of the commission unanimously voted to submit the proposition relating to the Tennessee matter to the National Executive Board with a favorable report of the Colonization Commission and recommending as soon as possible the making of an industrial survey of the land in order that the cooperative idea might be carried out intelligently.

On Oct. 26 Comrades Hinton, Borland, and Willard signed, as trustees, for a company to be formed

hereafter, a proposition to purchase this land as such trustees, provided that the amount necessary could be raised by the issue of bonds. Comrades Hinton and Willard left for St. Louis that evening, and the next night started for Colorado Springs at the expense of Messrs. Huffaker and Moling to see a certain wealthy man resident in that town in regard to the purchase of the bonds. From this time until Dec. 4, Comrades Hinton and Willard were in Colorado engaged in these negotiations, and likewise occupied in an endeavor to raise funds to proceed to Washington and Idaho. Comrade Willard remained until Dec. 12 for that purpose. It had been agreed that Messrs. Huffaker and Moling would advance the commission \$700 as a loan to enable them to defray their expenses on this western trip, but after serious delays such assistance was definitely refused. Vice Chairman [James] Hogan was then in Denver and consultations were held between him and the members of the Colonization Commission.

On Dec. 9 a joint meeting of the National Executive Board and Colonization Commission was held, at which the question of the Tennessee land matter was taken up and gone into detail, and this meeting was adjourned until Dec. 14, when the members of the National Executive Board and the Colonization Commission were present.

Chairman Hinton of the Colonization Commission made a long and complete verbal report, setting forth the advantages of the Tennessee proposition, and claiming that the debt incurred for the land could be easily provided for from the timber alone. He cited the opinions of various experts familiar with the country and drew attention to the fact that such a work would be in line with special instruction to the commission contained in that section of the Constitution, Section 6, which says: "Special attention should be given to the unemployed," etc. At the suggestion of Comrade Debs attention was called to the fact that better results could be obtained by concentrating the efforts on one proposition and it was agreed that all members of the joint session should concentrate their efforts on making a successful consummation of the Tennessee proposition, and to direct all efforts to that end to the exclusion of all other matters. At this joint session of the two boards a proposition was submitted from Comrade H.C. Childs of Denver, looking to the establishment of cooperative gold mining in the mines

of Colorado on property then owned by him and which he was willing to turn over on favorable terms to the Cooperative Commonwealth. It was, however, agreed that the efforts of the commission should be centered on one proposition and that nothing could be done at that time with the offer of Mr. Childs.

At the joint meeting of the two boards on December 15th, it was moved and carried that the members of the joint board meet Mr. Huffaker at his hotel on December 16th and if he assured them that he could float the bonds as per terms of agreement to permit him to go ahead.

On December 16th the members of the two boards called on Mr. Huffaker and received his assurance that he could float the issue of bonds on the Tennessee land. At this interview it was requested by him that the Colonization Commission write him a letter declaring formally their willingness to proceed on the Tennessee proposition and this was agreed to, and the next day such a letter was presented to him. At this meeting Mr. Moling agreed to pay the sum of \$469.95 in settlement of the expenses of Comrades Hinton and Willard while remaining in Denver at his request. It was likewise stated at this meeting that no action could be taken upon this matter by those interested in securing finances until after the Christmas holidays. This action in deferring negotiations until after the Christmas holidays was declared necessary by those who were to secure the sale of the bonds, and the matter went over until after the first of January [1898].

From that time until March 11th, over 2 months, nothing of a definite nature was heard in regard to the negotiation of these bonds, although it was understood that Mr. Moling was in New York attending to the matter. The members of the commission were likewise informed that Mr. Huffaker was very ill and continued so to be for a period of 6 weeks, which did much to impede progress.

On Friday, March 11th, a telegram was received from Mr. Huffaker, asking the Secretary [Willard] to come to that city to confer with him on matters related to the acquisition of the Tennessee land. The Secretary went there and spent a number of hours on March 12th with him at his home, he still being confined to the house by illness. At that time he presented a number of propositions and suggestions and made certain statements. He also requested that the

sum of \$2,000,000 be raised to \$2,500,000, as the amount of the issue of bonds was to run 20 years at 5 percent, and stated that the necessity for the increase in the amount was due to the advice of competent financial men in New York, who stated that the additional \$500,000 would be essential to make the operation a success. He made numerous suggestions as to the formation of a corporation of a company under the laws of New Jersey and furnished full information as to the laws of the state, but it was decided afterwards by the commission that we did not care to organize a company in that corporation-ridden state.

At that time Mr. Huffaker stated that Harvey Fisk & Sons, a banking firm in New York City, had agreed to underwrite the entire issue of bonds, upon certain conditions which in the main provided that a minority of representatives of capitalistic interests be put upon the Board of Directors. This proposition, with all his suggestions and information, were embodied by the Secretary in a report furnished to Comrade Debs, Chairman of the National Executive Board, and to Comrade Hinton, who, with Comrade [Sylvester] Keliher, met Mr. Huffaker in Washington and went over matters in detail with him. At this meeting the increased amount of bonds was agreed to, but the idea of having the men named upon the Board of Directors as representatives of capitalistic interests was rejected.

In the report submitted by the Secretary to the commission, which covers 11 pages of typewritten matter, upon this interview, attention is called to the possibility of capitalists seeking to place us in a position where it would be possible to foreclose the mortgage securing the bonds if any default in the payment of the interest should occur or any legal complications should arise. This might be done insidiously or openly, and it was suggested that it would be advisable to secure the necessary funds to carry out the Childs proposition so as to have a checkmate in the gold dug out of this mine to all the open and covert attacks of capitalism. Upon this action by Chairman Debs and Comrades Hinton and Keliher, as previously related, the commission proceeded.

On March 18 the Secretary of the Commission [Willard] was called by Comrade Riordan to Atlanta, Ga., who agreed to pay his expenses for the trip. The trip lasted from March 18 until April 1. While in At-

lanta Comrade Riordan paid over to the Secretary \$250 and requested him to visit certain lands in the southern part of Georgia, which he did. He went first to Lumber City and thence to Helena, where he met representatives of Dodge, Hilton & Co., who hold something in the neighborhood of 250,000 acres. As the National Executive Board and Colonization Commission had decided to concentrate upon the Tennessee proposition, it was deemed inexpedient to go into the availability of this land in detail. The mere fact of it being largely segregated, as was learned by the inspection of the firm's maps, was sufficient to stamp it unavailable. From Atlanta the Secretary proceeded to Washington, where a conference was held with the Chairman of the Commission [Hinton] as to the various methods of handling the Tennessee proposition and the progress which had been made up to date. At the request of the Chairman, the Secretary went to New York and conferred with Mr. Moling on the progress of the financial operations in relation to the Tennessee matter.

On March 30 the Secretary met Mr. Moling in New York City and had a long interview with him on the status of the financial negotiations. The possibility of floating the bonds was gone into in considerable detail. Mr. Moling stated at that time that it was essential that a company should be formed forthwith and that the bonds of this company should be issued, as they could not be disposed of until they were ready to sell. He stated that the bonds could be easily sold in New York as soon as they were ready, and cited a number of interviews with prominent financial men who had already expressed the liveliest interest in the work of the Social Democracy in removing the unemployed from the congested cities and colonizing them in Tennessee, and many, he said, expressed their willingness to take portions of the bonds. All of them expressed their belief in the high merit of these bonds as a security for investment.

At that time the present war with Spain was threatening and fears were expressed by Mr. Moling that if this war should break out it would delay the sale of bonds.

On the return of the Secretary [Willard] from New York an interview was held with Mr. Huffaker in Chicago at the Auditorium Hotel between him and Commissioners Borland and Willard and Comrade

Keliher, representing the National Executive Board. At this time Mr. Huffaker was very desirous that the company to hold the title of the property and to issue the bonds should be formed at once, and it was decided so to do, and one of our comrades, a competent lawyer, was instructed to prepare the necessary papers to secure a charter for an incorporated company to hold the title of the property and in which the stock should be held in trust and money raised by the sale of bonds.

On April 9 it was decided to organize the Cooperative Commonwealth Company under the laws of the state of Kansas, and by-laws then presented were approved and have since been printed. A charter was duly prepared and with other papers forwarded to Comrade G.C. Clemens of Topeka, Kan., the clerk of the Supreme Court of Kansas, to be filed in the office of the Secretary of State, who is likewise one of the incorporators of this company, serving as one of the three resident directors required by the laws of Kansas to be residents of that state.

The members of the commission decided on April 25 to proceed to Topeka, Kan., to incorporate the Cooperative Commonwealth Company, and the various legal documents necessary were read and approved by the commission at its meeting on that date. This included the copies of the deed of trues, contract with individual cooperators, and charter.

On April 27 the charter was filed in the office of the Secretary of State and the first meeting of the Board of Directors of the Cooperative Commonwealth Company was held and elected officers, adopted by-laws, approved and ratified deed of trust and contract with individual cooperators, and likewise voted to issue bonds up to the full amount of the capital stock, if such an amount should be deemed necessary in carrying out the work of the Cooperative Commonwealth, and on April 30 Commissioners Borland and Willard returned to Chicago.

The company now being formed to issue bonds as had been requested by Messrs. Huffaker and Moling, a letter was sent to the gentlemen notifying them of the fact and requesting that the title deeds of the property be placed in escrow before the bonds were issued and likewise enclosing them a certified copy, duly sworn to, setting forth the fact that the Board of Directors had voted to issue the bonds in regular legal

form.

A letter was received from Mr. Huffaker requesting that he be allowed to solicit subscriptions for the bonds before the title deeds were placed in escrow, since the people who were selling the property did not feel as though they cared to go to the expense of making out such deeds until they were satisfied that the bonds could be disposed of in the present disturbed financial condition incident to the war with Spain. A reply was sent to Mr. Huffaker stating to him that the Colonization Commission could not for a moment permit him or anyone else to solicit subscriptions for these bonds until such time as the deeds for the property on which the bonds were to be issued were placed in such a position as to be secured to us if we carried out the terms of our agreement, and that until these title deeds were secured to us we should take no further step.

On May 13 a letter was received from Mr. Huffaker, in which he declined to proceed any further unless allowed to go ahead and solicit subscriptions for the bonds. After a thorough discussion of the matter by the members of the commission, in conjunction with Treasurer Hogan, it was decided to notify Mr. Huffaker that we should insist on our former statement of position, which was done. A reply was received from him stating that he would go no further.

The next day, after discussing the matter in all its bearings, Treasurer Hogan being present, it was decided to take up and push the Childs mining proposition in Colorado, and that Comrade Willard should go to Denver immediately and secure this property if possible, and Commissioners Borland and Willard on that date sent a letter to the Chairman of the National Executive Board [Debs] reciting the facts in detail and calling attention to the fact that he had often expressed a favorable opinion of its merits.

On May 16 the Secretary of the Commission [Willard] started for Denver, arriving there on the 18th, and after some days' negotiations completed arrangements to secure the mining property at Green Mountain Falls, Ute Pass.

An agreement was made with Comrade H.C. Childs and M.A. Leddy, the owners, to take this property and pay for it at the rate of \$3,000 in cash in 60 days and \$2,000 additional in 30 days thereafter, the total amount of \$5,000 to be used to clear up indebtedness and release mortgages upon the same so that

first mortgage bonds could be issued by the Cooperative Commonwealth Company thereon and the balance of the purchase price, to-wit, \$95,000, to be paid out of the gold dug from the property and to be secured by bonds to that mount, which can be redeemed at any time.

A complete report upon this property is likewise submitted herewith and will be found of considerable interest and demanding careful perusal.

The work of preparing this report on the gold mining property consumed several days, and on the 2nd of June the Secretary of the commission [Willard] returned to Chicago and met Commissioner Borland and the commission thereupon met and formally ratified the action of the Secretary in securing the mining property as referred to.

Such, in brief, is the history of the work of the commission for the past 10 months, hampered as it has been by lack of funds and the inability of its members to get together in the earlier stages of its existence. Besides the work herein outlined, public meetings have been attended by members of the commission and addresses made on the general principles of the Social Democracy and the special work of the Colonization Commission in Nashville, New York City, and Denver. The Colorado comrades are very enthusiastic over the proposed location of the first colony in that state, and already two strong branches have been organized by the Secretary of the commission and many others can be organized in that state within a short period of time.

The Tennessee matter is not fully abandoned. It may be consummated later on. Requests have been made by those who are endeavoring to dispose of it to the Cooperative Commonwealth Company that we allow them to proceed and carry the matter through successfully. The Treasurer of the commission [Bor-

land] notified Mr. Charles B. Moling, in answer to his request, that we were willing and even anxious to proceed on the Tennessee proposition if they would concur with our ultimatum. Unless they did so, the matter would be dropped. Since then telegrams and letters, however, indicate that Messrs. Huffaker and Moling have no desire to allow these negotiations to fall through, but on the contrary they are desirous of making them successful, having already expended considerable money and having a large prospective commission in view if they make disposition of the land to us. This, however, is something which does not concern us, as it is a part of their business to dispose of land on commission. Mr. Moling has expressed his desire to meet with the members of the commission at about the time of the convention, and in all probability will be present to answer any questions which may be asked.

In conclusion we desire to say that here is the report of our work — it is as complete as possible when all the circumstances are considered.

We feel highly gratified at the progress so far made in view of the war fever, the lack of funds, and difficulties under which the commission has labored. The prospects for the future are bright and hopeful.

We have only one recommendation to make, and that is that the course now adopted be steadily pursued until eventual success crowns our work.

Faternally submitted,

The Colonization Commission,
Social Democracy of America.

by C.F. Willard, Secretary,
W.P. Borland, Treasurer.

Edited by Tim Davenport.

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