THE BOOM YEARS OF IOLA, KANSAS: 1896-1907

by

MICHAEL EDWARD HAEN

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Approved by:

Homer E. Socolofsky
Major Professor
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INTRODUCTION

In recent years there has been increased attention given to local history, and many subjects which previously had warranted only a few lines in a major work are being studied more fully.

Such a subject is the early twentieth century gas boom in Allen county. Most major works on Kansas history mention this expansion in passing. However, few realize the extent of the boom and the tremendous importance it had in the development not only of Allen county but also for all of southeastern Kansas. The center of this activity, based on the discovery of natural gas, was Iola, Kansas. The gas around Iola and the zinc ore from the Tri-State area of Missouri, Oklahoma, and Kansas combined to make Iola one of the major zinc producing areas in the world. In 1899 smelters in the Tri-State area were producing just under fifty percent of the total United States production. By the summer of 1903 Iola alone was responsible for thirty-five percent of the total United States production and combined with the other smelters in Kansas was producing over fifty percent. At its peak Iola exported to the rest of the United States sixty percent of the nation's zinc, a figure which was forty percent of the world production. By 1906 it was third in volume among all the cities on the Missouri Pacific system.


handling almost 41,000 carloads of freight. While nationally the zinc industry had a small role as an employer, in Iola it furnished jobs for about 2,400 men, a sizable labor force. Despite the large number of employees in this industry alone and the fact that heavy industry in Iola provided 4,100 jobs, Iola never reached the population mark of 15,000.

Iola for a brief time was the "town that gas built" with repercussions to the economy of Kansas and the nation. Yet with the exception of an article by Angelo Scott, very little has been written about Iola and the gas boom since the early 1900's, when local newspapers chronicled those days of expansion.

These newspapers provided a cross-index of reporting for any one event. The boom years were reported wholly or in part by nine different papers.

The first gas well discovery was reported by the Neosho Valley Register (1873-1874) which was edited by M. Talcott. This paper was the fore-runner of the Weekly Register (1875-1906). The populist Farmers' Friend (1890-1897) was edited by Christopher S. Ritter until its sale to the Friend-Herald (1896-1901). In 1901 the only Democratic paper in Iola, the Allen County Democrat (1898-1901), was consolidated with the Friend-Herald and the Friend-Democrat resulted (1901-1904).

The Evening News (1896-1897) was the only independent paper in the city. Edited by Edward S. Davis, it was very short-lived. It was

3Angelo Scott, "How Natural Gas Came to Kansas," Kansas Historical Quarterly, XXI (Winter 1954), 242; Iola Register, Historical Supplement, May 13, 1907, p. 53. Unless otherwise noted all references to the Register will be to the daily paper. The word Daily has been omitted although it was not officially dropped until after 1935.
purchased by Scott of the Weekly Register in 1897. A later short-lived paper was begun by T. F. Zeigler in 1906. The Weekly Index (1906-1908) was in existence for only eighteen months before it was sold to the Daily Register. The two major weeklies, Jennie Burns' Record (1899-1906) and Scott's Register (1875-1906) both terminated in 1906. A. Percy Harris of the Daily Record (1898-1908) bought Mrs. Burns' subscription list and Scott dropped his weekly in favor of the Daily Register (1897+). In 1908 Charles F. Scott bought out the Daily Record. As a result, the Register is the only paper extant from this period.

From 1896 through 1908 there were at least two newspapers reporting the events occurring in Iola. Until 1904 the Republican papers were balanced by the reporting of the Populist-Democratic papers. After 1904 the liberal Republican Record provided a different approach to the news than the Old Guard Republican Register.

The other major source of information about Iola and the boom years was the public documents, both published and unpublished, of the Federal Government, the State, and the local community. Of special value in this regard were the works of George I. Adams, especially his Economic Geology of the Iola Quadrangle, Kansas, and the journals of the city and county councils.
CHAPTER I

APPLICATION OF THE WORD BOOM TO IOLA

The word **boom** as it stands in the Kansas vocabulary is viewed with ambivalence. It is seen as a wonderful event due to the tremendous prosperity it bestows upon the city and surrounding area; yet, at the same time, it is considered terrible because of the bust and local depression which generally follows. Kansas towns have boomed rapidly and just as rapidly busted. But was Iola actually a boom town?

There are several characteristics which are common to the booms experienced in Kansas and surrounding states. The first characteristic evident is the presence of something of real or fictitious value. An excellent example of this was the boom Wichita experienced in the 1830's. Evidence of that expansion was recorded in the biennial reports of the state auditor. The number of city lots in Sedgwick county was 6,003 in 1882. By 1889 city lots had become so valuable that 107,702 had been recorded at the county's Register of Deeds office.\(^1\) In the last five months of 1837 forty-two square miles of land around the center of town were sold as city lots, and thirty-five million dollars allegedly changed hands in the sales.\(^2\)


A second element common to all booms is the emphasis on urban expansion through construction of public building and municipal improvements (i.e. $30,000 opera houses), and the attraction of a railroad, or two if possible. To pay for these, bond issues were passed which were also based on the inflated land prices. Evidence of the extent of expansion in Wichita could be seen for years after the turn of the century. Houses, partly finished as well as finished and never inhabited, could be seen rotting away miles from the city limits on land which had been sold as city lots. 3

Thirdly, a substantial population increase over a short period of time is noted. During the 1926 oil boom in Seminole, Oklahoma, the population of the city surged from near 1,000 to 35,000 in less than six months. 4 The increase in population noted during the boom is countered during the bust by a rapid loss of population. Within two years after the collapse of the Leavenworth boom that city had lost 15,000 inhabitants. 5

Thus, there appear to be three major elements in a boom. First, the presence of something of value or assumed value, the use of which results in a large profit. Usually land was the item which became extremely valuable due to speculation. The second element seen is the

5Shannon, Farmers' Last Frontier, p. 308.
pre-occupation with rapid expansion of urban areas financed by the passage of bond issues. The final factor is the rapid rise in population during the boom followed by as rapid a decline once the boom collapsed.

The application of these criteria to the expansion which occurred in Iola reveals that it was in actuality a boom town although not in the usual context of the word. Gas, the item of value which was utilized, was given away to the businesses and industries during the early years of the boom; thus, the element of speculation was largely lacking. The mania for municipal improvement, although present, was slow in infecting the citizens of Iola. At first they were extremely reluctant to pass bond issues, even for necessary municipal improvements such as schools, sidewalks, and paved streets. Later when the boom appeared to be more than just a flash-in-the-pan, bonds for improvements were passed more readily. But there was never the reliance upon public funds to do a job which could be done through private means. Only one bond issue was ever passed by Iola to attract a railroad and that in 1865, many years before the industrial potential of the region was realized.  

The population figures of Iola for the period 1896 through 1907 only slightly resemble those of other boom towns. Iola did show a large increase in population but it was only over a long period of time. On the eve of the boom it boasted a population of 1,567. By 1904 the

6See page 12 below.
population reached 11,069 on the way to a peak of 14,225 in 1907.\(^7\)

Rather than a sudden surge of population, Iola’s growth was fairly consistent and in proportion to the economic base which was provided by the introduction of new industry. The following chart indicates to some degree the relationship between the influx of new industry and the increase in population.

CHART I: INDUSTRY-POPULATION RELATIONSHIP.\(^8\)

<table>
<thead>
<tr>
<th>Year</th>
<th>Population</th>
<th>Annual Increase</th>
<th>New Industries</th>
<th>Total Number of Industries</th>
</tr>
</thead>
<tbody>
<tr>
<td>1895</td>
<td>1,567</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>1896</td>
<td>1,800</td>
<td>33%</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>1897</td>
<td>2,145</td>
<td>48%</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>1898</td>
<td>3,531</td>
<td>45%</td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td>1899</td>
<td>4,112</td>
<td>40%</td>
<td>2</td>
<td>7</td>
</tr>
<tr>
<td>1900</td>
<td>6,153</td>
<td>65%</td>
<td>2</td>
<td>9</td>
</tr>
<tr>
<td>1901</td>
<td>6,787</td>
<td>43%</td>
<td>0</td>
<td>9</td>
</tr>
<tr>
<td>1902</td>
<td>8,282</td>
<td>54%</td>
<td>3</td>
<td>12</td>
</tr>
<tr>
<td>1903</td>
<td>9,740</td>
<td>39%</td>
<td>1</td>
<td>13</td>
</tr>
<tr>
<td>1904</td>
<td>11,069</td>
<td>37%</td>
<td>1</td>
<td>14</td>
</tr>
</tbody>
</table>

After 1904 only one new company of major size opened and that in 1907 just before the gas began to give out. The above chart indicates, but does not completely explain, the relationship as natural population increase due to births is not included nor are the numerous small businesses which moved to Iola. These figures do indicate the lack of many opportunities for speculation, which attract large numbers of fortune hunters.

\(^7\)Iola Register, Centennial Edition, May 30, 1955, p. 7. The figures given in this source agree with those given in the Secretary of State's Biennial Reports, 1896-1904; thus, reference will be made to the Register in the interest of brevity.

\(^8\)Ibid., p. 7.
Although the increase in population was not as rapid as took place in such boom towns as Wichita or Leavenworth due to the lack of speculation, it was of sufficient size to indicate boom conditions.

In other ways Iola's boom also followed the same general pattern witnessed in other booms. The discovery of something of value, although its acceptance was belated, opened Iola as it did other towns to the benefits of a boom. Urban expansion and improvement, like the acceptance of gas, were rather reluctantly accepted; however, once they were, Iola was greatly improved as a result.

The difference between Iola and other boom towns was in degree rather than kind. An increase in population took place although it was not as rapid or extensive as that of Seminole, Oklahoma, and the collapse of the boom did not result in as drastic a loss of residents as was witnessed in Leavenworth. So also was it with urban expansion. Iola could not compare with Wichita in the extent of expansion. One element is noticeable throughout the Iola boom years and that was moderation. The disastrous extremes noted in certain elements of other booms spared Iola in all cases except the most important one—the use of gas. Iola went to extremes in using and abusing the large quantities of gas available.

Although growth was slow when compared with Wichita or Leavenworth, it was steady and an economic base was developed to support expansion in both industry and population. The boom was not as rapid or restrictive as a "land oriented" boom. Iola required a full decade to go through the cycle which was completed in Wichita in a few years and other cities
in even less time. As a result, instead of remaining a rural county seat of 2,000 to 2,500 as many other county seats in Kansas have, Iola retained much of its population and some industry. In 1967 it was a thriving community of 7,100, a decline of about 2,000 from the total living there in 1910, two years after the boom collapsed.

9 The Walton Foundry, Lehigh Portland Cement Company, and Humboldt Brick and Tile Company can trace their beginnings back to the boom years.
CHAPTER II

HISTORICAL BACKGROUND: 1859-1895

Iola, Kansas, the present-day county seat of Allen county, is located in the west-central portion of that county. Allen county is in the second tier of counties west of the Kansas-Missouri border and in the third tier north of the Kansas-Oklahoma line. Like many other cities in southeastern Kansas, Iola is situated close to the Neosho River.

Founded in 1859, Iola was located one and one half miles north east of Cofachiqui, the original county seat. Cofachiqui had been laid out in the spring of 1855 by a pro-slavery group of Missourians. By 1856 it was the established county seat and received the county's first post office. However, its days as county seat were short-lived as a free-state legislature took office in 1857 and the county seat was moved to Humboldt because of Cofachiqui's pro-slavery citizenry.

In 1859 a group of citizens from Cofachiqui, Humboldt, and surrounding area formed a new town company. Unlike many of the towns formed in Kansas, Iola did not have the backing of any eastern city. Land for the new city was purchased from Josiah F. Colborn who sold the company 160 acres for an unrecorded price. The yet unborn city was named after Colborn's wife, Iola. The site for Iola was chosen

1 Robert W. Baughman, Kansas Post Offices (Topeka, 1961), p. 27.
with much more care and foresight than that of Cofachiqui. The latter
had been located in an excellent defensive position on the bluffs above
the Neosho River; which, in view of the tumultuous conditions in Kansas
during the 1854-1855 period, was probably the reason for its location.
But the location had one major fault. Its residents had been unable to
dig wells deep enough to insure an adequate supply of water. Thus, all
water had to be carried from the river below. The lack of an accessible
abundant supply of water coupled with the loss of the county seat aided
in the collapse of the Cofachiqui venture. And, by 1866 the town had
disappeared.

Although plans had been formulated to build a jail and courthouse
in Humboldt as soon as that city received the county seat, work was
delayed by the Civil War. Nevertheless, Humboldt retained the county
seat throughout the War; and, due to the lack of facilities, business
was conducted in a local lodge hall, to the dissatisfaction of both
parties concerned. In the spring of 1860, Iola made its first bid to
have the county seat moved from Humboldt. But a county wide election
upheld the Humboldt location 562 votes to 331. A second and success-
ful election, from Iola's point of view, was held on May 10, 1865.
The results credited Iola with 243 votes, Geneva with 35, and Humboldt
with only 2. The county commissioners met on May 13, 1865, and im-
mediately approved the election results and ordered the county seat
moved to Iola. At that time no protest or request for a recount of

3"Journal of the Minutes of the County Commissioners" (Allen
County, Kansas), A, 188.
the votes was presented before the commissioners; nor did the commissioner from the Humboldt area consider anything seriously amiss as he also approved the election results and the move to Iola. The low number of votes cast in the election—285—was acceptable as only 332 votes had been cast in the presidential election seven months earlier.4

The Civil War had drained the county of many of its voters, thus, partially accounting for the low number of voters. However, the drastic shift in votes from Humboldt was not so easily explained. The petition presented to the county commissioners by Elias Jenkens and J. A. Hart requesting an election to move the county seat contained 261 signatures, a figure which the commissioners ruled was over 3/5 of the total number of votes cast in the last general election.5 A solid majority of the voters preferred to move the county seat from Humboldt even before the election took place. There was little Humboldt could do and apparently her residents gave up without a struggle. The only published attempt to explain the election results was written by an Iola resident in 1966. "Apparently Humboldt didn't care at that time or the people there may have really felt that Iola should be the county seat."6 From time to time there were charges that the election was rigged; however, to the present, no evidence has been presented to substantiate a case of fraud.

5Ibid., A, 174.
6Spencer A. Gard et al., "County Seats of Allen County," Tales of Early Allen County (Humboldt, 1966), no page numbers.
Iola had the county seat, but it had little else to attract attention. The first two decades of its growth were slow, steady, and undistinguished by any unusual events. As the county filled with homesteaders, Iola added the typical stores and service establishments of the trade centers of the day. With the help of a $125,000 bond issue passed in 1865, the Leavenworth, Lawrence and Galveston Railroad, which later became the Santa Fe, was attracted although no tracks reached Iola until late 1870.\(^7\)

Three years after that bond election, the first school was erected. The following year the Allen county jail was built and, until 1959, it had the dubious honor of being the oldest jail in use in the state. By early 1870 the Missouri-Kansas-Texas Railroad (the Katy) had pushed its tracks south from Junction City through Piqua, seven miles west of Iola, and Humboldt, eight miles south of the city, on its way south to Texas. Later that same year the Santa Fe completed its tracks through Iola connecting it with Kansas City thus eliminating the overland drive to the Katy station at Piqua or Humboldt.\(^8\)

The first clue to Iola's future came in 1873. Colonel Nelson F. Acres, president of a coal prospecting company, began drilling for coal a short distance south of Iola. Instead of the coal he sought, he struck gas but only after he had passed through a pool of saline water.


\(^8\)For a detailed study of these railroads see James L. Marshall, Santa Fe (New York, 1945), and Vincent V. Masterson, The Katy Railroad and the Last Frontier (Norman, Oklahoma, 1952). However, neither book gives much detail about the arrival of the railroads in Iola.
The force of the gas formed a geyser and the well was abandoned while other sites were tried. The possibility of utilizing this salt water for the manufacturing of salt was proposed by the editor of the Neosho Valley Register. However, nothing was done to use either the water or the gas until Colonel Acres recognized the potential resort value of the water. "It tasted so bad that he decided it must have great therapeutic qualities, so he set aside the acreage into a park and constructed a hotel-sanitarium where people could not only drink the water but bathe in it." The only use made of the gas in the well was to heat the water for the baths. When the Neosho River left its banks in 1885 and filled the well with surface water, the spa closed its doors.

Although no longer a resort town, Iola was able to maintain its image as the agricultural center of the county increasing its hold when the Missouri Pacific railroad completed a line connecting Iola with Wichita and points east in 1881. The events which occurred during the following years were repeated thousands of times throughout the small towns of the Middle West; and, Iola had no special feature which distinguished it from any other farm community until 1893. The brief encounter with gas was not forgotten, however, for plans were formulated for future exploration.

After Colonel Acres' accidental success, J. W. Coutant and H. L. Henderson formed the Iola Gas and Coal Company to conduct a systematic exploration.

9March 29, 1873.

10Angelo Scott, "How Natural Gas Came to Kansas," Kansas Historical Quarterly, XXI (Winter 1924), 237.
search for gas. With the addition of Robert Stevenson, William McClure, and several other influential civic leaders, the company was able to obtain a franchise from the city to distribute any gas found. Several years of drilling were unsuccessful and the company eventually ran out of funds. The city then voted the company a grant of $3,000 to continue drilling. When this money was exhausted the company was sold to Joseph Paullin, a Santa Fe conductor, and W. S. Pryor, an experienced deep-well driller, who formed the Allen County Gas Company. Paullin and Pryor were required by the purchase agreement to drill six wells around Iola before abandoning the area. The first five wells were dry holes ranging from 250 to 450 feet deep. The decision was made to drill the final hole to 1,000 feet before moving out of the Iola area.

There are two versions of how this well was brought in. The first states that the drilling continued until Christmas Day 1893 when, at 850 feet, the bit entered a gas-laden pocket of sand. The other version, as told by the editor of the Register, reads like a movie script. The company was out of funds and unable to pay for another day of drilling. Pryor went to town and tried to mortgage the company for $500 without success. Finally, a personal friend agreed to stand the cost of drilling for another twenty-four hours if Pryor would then quit and get a job. Within twelve hours gas was found and the company saved.

11 Iola Register, Historical Supplement, May 13, 1907, account written by Nelson F. Acres.

12 Ibid., p. 4, account written by Charles F. Scott; Kansas City Gazette, May 24, 1899, Editorial.
Regardless of the circumstances surrounding the event, gas was found and the first step was made toward the boom years. The news of the discovery spread rapidly and in June 1894 the Palmer Oil and Gas Company, a subsidiary of Standard Oil, began to lease thousands of acres around Iola. But success and prosperity did not follow immediately upon the discovery of one gas well. The Panic of 1893 made investors wary of new and untested fields. In this case "capital was timid in coming to Iola. Capital had to be assured of more gas than just one 6-inch hole. Freight rates had to be adjusted, to transport raw materials to Iola] which was a slow, long, hard pull."

Three years passed from the time that the first major well was brought in until Iola actually became a boom area. The passage into the boom times was signaled by the arrival and relatively immediate success of the Robert Lanyon's Sons smelter in 1896. The Lanyon Company constructed a trial smelter which expanded the next year proving that gas could be adapted to the zinc industry. A start was made and Iola entered the period designated The Boom Years: 1896-1907.

13Allison Chandler, Trolley Through the Countryside (Denver, 1963), p. 11.
CHAPTER III

THE EARLY BOOM YEARS: 1896-1899

"The only argument made against city ownership of the gas plant is that the 'Burden' of taxes will be too great for the people."

Iola Farmers' Friend

The year of 1896 saw the Populist Party reach its zenith, an increase in the tension with Spain over Cuba, and the issue of free silver reach an explosive level in the political arena. Lost in the shuffle of these historic events was the small farm community of Iola, Kansas. To its 1800 inhabitants the burning issue of the day was gas. During the previous three years large quantities of natural gas had been discovered near Iola. Men saw fortunes to be made and a great industrial complex to be built. Several factors, however, caused the community to postpone its "destiny" for a few years.

The first major problem which the city had to solve was the distribution of the gas. Prior to the success of the Allen County Gas Company in 1893, the city had granted the company an exclusive franchise to distribute gas to Iola. Late in 1895 a group of local citizens formed the Iola Cooperative Gas Company and drilled several highly productive wells.¹ In July 1896, a city ordinance granted the Iola Cooperative the right to lay gas lines throughout the city for the

purpose of domestic, manufacturing, or marketing use, the establishment of city lighting, and other municipal improvements. This ordinance was necessary since the city leaders were promising twenty years of free gas to any business which moved to Iola. Paullin and Pryor, however, did not feel bound by the promises made by the civic leaders. When the Cooperative Gas Company attempted to implement the provisions of the ordinance, the Allen County Gas Company brought suit to halt the violation of their franchise and to have the ordinance nullified. This litigation continued until February 1897 when the two companies merged under the name of the Iola Gas Company. Shortly thereafter, both Paullin and Pryor sold their interest in the company to the Iola faction and retired.

But Iola businessmen did not wait for the court settlement. Before the litigation had begun, several of the leading citizens foresaw the potential of the gas field for industrial growth. Primarily through the efforts of Charles F. Scott, editor of the Weekly Register, and businessman A. L. Taylor, the Iola Commercial Club was formed. Composed of eleven of the more prosperous and influential men in the community, this forerunner of today's Chamber of Commerce was responsible for the greater portion of businesses migrating to Iola. This organization had offered free gas to incoming industries and necessitated the

2Iola Weekly Register, July 17, 1897; Archives of the Kansas, Kansas State Historical Society, "Corporation Charters," LIV, 98.

3Adams, Economic Geology, p. 31.

4Iola Farmers' Friend, January 8, 1897; Iola Evening News, January 6, 1897.

5Iola Register, Historical Supplement, May 13, 1907, p. 5
establishment of the Iola Cooperative Gas Company in order to fulfill their pledge.

The problem of distribution was not the only difficulty this group faced. Iola had a large supply of gas but lacked any natural raw materials which could be used for manufacturing and a population base adequate to provide a labor supply sufficient for heavy industry. However, eighty miles to the southeast of Iola lay the "little Balkans." This area, also known as the Tri-State area, covered portions of southeastern Kansas, southwestern Missouri, and northeastern Oklahoma and contained some of the richest zinc mines in the United States. In 1899 this area was producing between six and nine million dollars worth of zinc ore annually. Most of the smelters in the area utilized the local low grade coal for fuel. Gas would provide for them a low cost fuel, but no one had used natural gas as an industrial fuel previously and also the problem of transportation of ore to the Iola area arose.

Those with the capital necessary to begin an experimental smelter in Iola were cautious. Business had not fully recovered from the Panic of 1893, and the railroad strikes of 1894 made any venture which would depend upon the railways extremely risky. But by 1896 sufficient gas had been found to warrant an experiment.

Through the continued efforts of the Commercial Club railroad rates were established, and settlement of the distribution problem was

in the making. Late in 1896 the Club succeeded in attracting the attentions of one smelter company. The Robert Lanyon's Sons Smelter Company began to build a smelter on the northwest edge of Iola. The production of spelter began in December 1896 on an experimental scale. The results were so successful that the following spring the plant entered full production and began expanding its facilities.8

The success of the Lanyon experiment coupled with the offer of free gas signaled a rush of smelters and related industries to Iola. In the summer of 1897 William and Josiah Lanyon, cousins to the Robert Lanyons, began relocating their smelters from the coal fields around Pittsburg, Kansas. They built a smelter containing 1,800 retorts9 and by December of that year were producing spelter. William Nash and L. H. Wishard constructed the Iola Manufacturing Company and, through the experiments of I. Rulofson, an employee, a new type of furnace was developed and gas was adapted to the melting of iron. The Register of the day claimed that this was the first foundry which successfully adapted gas to its operation.10 This foundry is one of the few businesses which has been able to continue to the present although it is smaller and under different ownership.

7Spelter is refined zinc before it is cast into ingots or rolled.

8Adams, Economic Geology, p. 40.

9A retort was a tube approximately four feet long and ten inches in diameter. One end was tapered and had a 2 to 3-inch opening into which the crushed ore was placed. The retorts were stacked on top of each other to form the fourth wall of the furnace. Each retort would produce between 23 and 25 pounds of spelter in a 24-hour period.

10December 10, 1897.
A. W. Beck, a local resident, organized the Iola Brick Company which also went into production in the summer of 1897; and during the first six months of its operation, two and a half million bricks were produced. Of this total only 80,000 were sold outside Iola as there existed a tremendous local demand by those building factories. Despite the output of the company several buildings were uncompleted at the end of the year due to the lack of brick.\(^\text{11}\)

Private resources and industry were building Iola into a city and providing prosperity to all. The city leaders relied upon private means to provide public services through the use of franchises. This reliance upon franchises caused the city many problems during the early years of the boom. The first company to cost the city time and money was the telephone company. Under the provisions of the charter granted the company, the city was to be furnished with the use of one free telephone and to receive a fee of three percent of the gross income over $1,500.\(^\text{12}\) By March 1898 there were seventy telephones operating in Iola and plans had been made to add twenty more. But despite the number of telephones and the cost of service—$1.50 per month for a private phone and $2.00 for a business phone—the company disclaimed any income over $1,500. Attempts to gain access to the company’s books failed and a court order had to be obtained to open the books for an

\(^{11}\) Iola Register, December 8, 1897.

\(^{12}\) C. Khrister S. Ritter (Compiler), The Revised Ordinances of the City of Iola (Iola, 1913), p. 177.
inspection by the city treasurer. The net result of the inspection revealed such a small amount of profit for the city that a new ordinance was passed. Under the new ruling the telephone company was required to pay a fee of three percent of their gross income once that amount reached $1,500. The city treasurer was empowered to review the company's books at any time. One concession was granted the company. If less than $1,500 was grossed, the company was freed from the payment of any fee.

The city experienced difficulties not only with the telephone company but also with its own citizens. Iola had no city water or sewage system. The residents relied on wells and cisterns for all the water used. Fire protection and law enforcement were at a minimum. Paved streets were non-existent; and what few sidewalks which were extant were made of wooden planks, usually wood which could not be used for any other purpose. At times the mud in the streets was of such depth and tenacity that the Register records unbelievable incidents of cows and horses reputedly so mired in the mud that they could not be moved and had to be fed in the street until the ground became dry enough to dig them up. The story was told around Iola of a man who placed two cows' tails in the mud. Swearing there was a cow attached to each tail, he auctioned them off for fifteen dollars.

To solve the problem of the unpaved streets, a bond election was ordered. When the voters failed to approve the issuing of bonds, an ordinance was passed requiring each man between the ages of twenty-one

13Iola Register, March 10, 1898.
15Iola Register, October 29, 1947.
and forty-five to work two days for the city to improve the streets or pay an annual fee of two dollars.\textsuperscript{16} As was the custom in some rural areas even until the 1940's, the streets were dragged with a railroad iron pulled by a team of horses. The man who provided the team was only required to work one day. However, this process did little more than cover the ruts made after the previous rain.

A viable solution to the problem of the schools was just as difficult to find. The city school system had been built to accommodate the normal 1,500 residents as the population of Iola had remained near that figure for more than twenty years. However, the city census of 1897 revealed an increase of 600 over the 1895 figure of 1,567.\textsuperscript{17} The school year ending in the spring of 1897 released 503 pupils. The September enrollment listed 713 students for grammar school and 131 seeking entrance into high school. Three bitterly fought bond elections were held before the voters' approval could be gained for one new school, which was completed in late 1898 at a cost of $10,500.\textsuperscript{18}

A constant terror for almost every small city in the 19th and early 20th century was fire. Most of the business houses and residences were made of wood and few cities had a water system which was adequate to protect the city. Iola had the same problem and made the same response as many of its counterparts throughout the state. A volunteer

\textsuperscript{16}\textit{Ibid.}, March 10, 1898.


\textsuperscript{18}\textit{Ibid.}, October 29, 1947.
bucket brigade had operated in a totally unorganized manner prior to 1896. Late in that year the city council authorized the organization and establishment of a volunteer fire department. Two council men were assigned to organize the company and investigate the various types of hose carts and fire fighting equipment. 19 Several hose carts were purchased the following year after the department was granted a corporation charter.

On May 11, 1897, the department filed for a corporation charter. This charter listed the value of the property of the department at two dollars. 20 At that time the fire chief began receiving a small salary but the remainder of the force remained on a volunteer basis. In 1901 the city council authorized the payment of fifty cents for each call which the firemen answered. If they were required to "throw water," they received one dollar. The fire chief's salary was raised to fifty dollars a month. 21 The assistant fire chief was hired as a full time department employee in 1906. 22 The following year the amount paid

19 "Journal of the Minutes of the Council," City of Iola (Kansas), 1889-1898, 264. This is the last book so titled. The next volume is "Journal of the Proceedings of the Council," City of Iola (Kansas), Volume A. One of the major problems in researching this topic was the accuracy of the contemporary sources. Two of these, the Register, October 29, 1947, and the "Iola Fire Department History," Missouri Valley Fire Chiefs Journal, II (July 1952), 13-15, contain many errors. The Journal states, contrary to the Proceedings of the City Council, that the fire department was not established until 1899 while the Register holds that firemen were not paid until 1926.

20 "Corporation Charters," IV, 318.

21 Iola Register, May 25, 1901 [City Ordinance 44 1/2].

firemen for responding to a fire call was raised to one dollar per run and three dollars if they were required to fight a fire.\textsuperscript{23}

In line with the solutions offered for education and fire protection, Iola sought to avoid the expenditure of funds for law enforcement. No city law officers were hired for full time work since the county sheriff kept his office in Iola and the city depended on him to act as both city and county peace officer. On special occasions the city would hire parttime personnel from the private Merchant’s Police and Protective Service.\textsuperscript{24}

Basically Iola was not an excessively violent city at any time during the boom in spite of the large working class population during this period. The relative peacefulness of Iola was illustrated by the size of the city police force. The first full time police officer was hired in 1902 at the insistence of east Iola.\textsuperscript{25} By 1905 when the city had grown to over 12,000, there were only five men in uniform, Chief John Edwards and four patrolmen comprised the entire force.\textsuperscript{26} Early in the boom there did not exist a need for a large police force. In August 1898 there were only eleven men in jail. Three of these had been convicted for bootlegging, three for fighting in public, three for petty theft, and two for public drunkenness. The big news story of the month

\textsuperscript{23}\textit{Ibid.}, C, 295.

\textsuperscript{24}City Council "Minutes," 113, 245, and 262.

\textsuperscript{25}\textit{Iola Daily Record}, January 17, 1902.

was the discovery of a man residing in Iola who had four wives—one in Iola, another in Kansas City, a third in St. Louis, and a fourth in Elgin, Illinois—all without benefit of a divorce. 27

The Kansas census for March 1904 to March 1905 listed only four felonies; although several pages of misdemeanors were included, the vast majority of them were for violation of the liquor laws. 28 The major law enforcement problem in Iola was bootlegging. The problem reached such proportions that the bootleggers were operating openly even though Kansas was a "dry" state.

In October 1897 two men were arrested for bootlegging. They had moved their supply into the house of a local minister who was on vacation and were doing a thriving business out the backdoor until apprehended. 29 The following spring the city council passed an ordinance designed to wipe out all taverns or "joints." As was learned by Iola and later by the nation as a whole, drinking could not be legislated out of existence. The actual result of the ordinance was to drive the "joints" underground and to increase opportunities for the corruption of police officers. There developed what could best be described as a fee system in response to the ordinance. One establishment paid monthly fines of twenty-five dollars on April 18, twenty-five dollars on May 26, forty dollars on July 11, and another forty dollars on August 1. 30

27 Ibid., August 1–31, 1898.
29 Iola Register, October 30, 1897.
30 Ibid., October 29, 1947.
As late as 1906 the bootlegging problem was still in existence and the first case of corruption came to light. In October of that year the city council suspended City Police Judge Fuller, Police Chief Edwards, and three of the four patrolmen on the force. The charges against them stemmed from the "joint" element in town. All were fired or forced to resign. However, Judge Fuller refused to accept the judgment of the city council and appealed their decision to the District Court. Five months later that court ruled he had been dismissed without sufficient evidence to prove his guilt and ordered him re-instated. The "joint" problem remained throughout the entire boom period although most of the populace developed a live-and-let-live attitude.

However, Iola was not completely without violent crimes. The Register of September 1898 related the case of a farmer outside of the city who attacked his father-in-law with a corn knife and seriously wounded him. The reason he gave for the attack was that he "just got tired of having him hanging around." Such crimes were, however, the exception rather than the rule. The most common violent crime in Iola was common assault.

The practice of law did not appear to suffer from the lack of major criminal activity. The Bar Docket of District Court listed

31Iola Weekly Index, October 12, 1906; "Proceedings", C, 205, 212.
33September 18, 1898.
twenty-five lawyers who were credited to argue cases before the bench. As usual the major portion of the suits were civil cases although nineteen divorce cases were presented. The court also handled six criminal cases—three larceny trials and one case each of burglary, assault, and bastardy.  

The resistance of the people to bond issues for services which could be provided by private funds was best exemplified by the fight for city ownership of gas. Three attempts were made to get the citizens of Iola to approve the sale of bonds to finance the purchase of the privately owned Iola Gas Company. Colonel Acres and William H. McClure, the "Father of Dollar Gas," led the proponents of the bond issue against George Bowlus, James Taylor, Lewis L. Northrup, Robert B. Stevenson, and David Ewart, principal stockholders of the company. Not surprisingly, the editor of the Register supported the rights and benefits of private ownership over the "socialistic and populist" concept of government or municipal ownership while the Farmers' Friend under the editorship of Christopher Ritter campaigned for it.  

"The only argument made against city ownership of the gas plant is that the 'burden' of taxes will be too great for the people," wrote Ritter. "Yet the very men who advance such arguments are the owners of the gas stock and are so intensely charitable that they want to bear the burden (?) alone." Ritter felt that since the private owners pressed for bond issues for the gas plant.

34Bar Docket of the District Court, Allen County, Kansas, November, 1900.
35Iola Register, January 1, 1898; Farmers' Friend, April 5, 1897.
36Iola Farmers' Friend, March 5, 1897.
were making enough profit from the venture to continue operating, the city, if it owned the plant, could also. And, the city would be able to use the profits for the benefit of all the citizens. "Operating on the published profits of the Iola Gas Company $7,000 the city could pay off the bonds and still have a sufficiently large sum to expend on the streets and for city improvements." The owners contended that they could operate the plant more cheaply than the city could and offered as proof the low rates paid by the public for gas, ignoring the fact that the rates had been established by a city ordinance.

When the court had approved the merger of the two gas companies, several stipulations were added. The city was given a two-year option to purchase the company at the court-established price of $30,000 plus the cost of improvements since January 1, 1897, and the city was also allowed to establish the rates, subject to the owners' approval, at a just level. McClure began working for the adoption of "dollar gas"; and, through his efforts the following rates were published shortly thereafter.

<table>
<thead>
<tr>
<th>Service</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Heating Stoves</td>
<td>$6 per stove per year</td>
</tr>
<tr>
<td>Cooking Stoves</td>
<td>$1 per stove per month</td>
</tr>
<tr>
<td>First two gas Lights</td>
<td>$.10 per lamp per month</td>
</tr>
<tr>
<td>All Additional Lights</td>
<td>$.05 per lamp per month</td>
</tr>
</tbody>
</table>

37 Ibid., April 5, 1897.

38 There is some discrepancy between the two published set of rates. Published shortly after the court decision, the Farmers' Friend lists a flat rate of $6 for the winter. A year later the Register, quoting the same city ordinance sets the rate at $1 per winter month. See the Farmers' Friend, January 8, 1897 and the Register, January 1, 1898.

39 Iola Farmers' Friend, January 8, 1897.
These rates were generally lower than those of the surrounding cities. George I. Adams, in his study of the Iola Quadrangle, found the average monthly cost of gas to be $1.50 to $2.50 for each stove and twenty-five cents for each light. The rates for businesses were established by agreement between the company and the individual businesswoman and were slightly higher than the rates for residences.

McClure and Acres were on the losing side of the bond issue question in all three elections although they did eventually see the gas plant come under municipal control. But this control did not come about as a result of the city’s option to buy at the court established price. It was not until December 31, 1904, that the city was able to purchase the company. The city made a downpayment of $100 and paid monthly installments out of the profits made. By the time the plant was completely paid for, $119,585.33 had been spent.

Throughout this period and the following years the Commercial Club continued to publicize Iola and worked to attract new industry. A steady flow of brochures, few of which are extant, came off the presses of the Register and the Connet Printing Company. A few articles were even published in national magazines. The constant effort of these men was rewarded by the steady flow of industry and businesses, both large and small, into the area. Many small concerns which were not

40 Economic Geology, p. 38.
41 Iola Register, Historical Supplement, May 13, 1907, p. 31.
42 Two such articles were Thomas Bowlus, "Natural Gas in Kansas," The Scientific American, LXXIII (November 23, 1895), 321; and Erasmus Haworth, "Kansas Oil and Gas Fields," The New Empire, I (March 1903), 1.
dependent upon gas migrated to Iola. These businesses provided jobs for those unskilled in smelter work and created an added incentive for migration into the area. The Iola Sorghum and Cider Company (1896), the Iola Telephone Company (August 1897), the Harris Steam Laundry (November 1897), the Iola Ice Plant (January 1898), and the Vezie Washing Machine Factory (July 1898) were only a few of the many diverse companies to begin operations in Iola. A small broom factory even began operation in the summer of 1898.\textsuperscript{43} Considered individually, none of these concerns made much of an impact upon the local economy. Collectively though, they were an important factor in Iola's continued growth and expansion.

The last major enterprises to relocate in Iola prior to the turn of the century came in late 1898 and in 1899. George E. Nicholson of Nevada, Missouri, was enticed by the promise of low-cost fuel to dismantle his smelter in that city and rebuild one mile east of Iola. He began production in 1898 with a plant containing 1,200 retorts. The following year, a short distance east of his plant, L. T. McRea, J. A. Daly, and L. H. Callaway began the Prime Western Spelter Company with a total of 1,240 retorts in production. Due to the lack of a rapid means of transportation and through the efforts of these four men, the small town of Gas was built to furnish residences for the smelter workers.\textsuperscript{44}

\textsuperscript{43}Iola Register, October 29, 1947.

\textsuperscript{44}All of the information in this paragraph can be found in Adams, Economic Geology, p. 41.
The expansion to the area east of Iola brought about the introduction of a short-lived bus system. An Iola barber, John De Puy, began a horse drawn bus line. He made four round trips between Iola and LaHarpe, six miles to the east, beginning the first run at 4:00 a.m. and the last at 8:00. This service lasted until an electric railroad began operations in 1901.

Iola, during the early years of the boom, was characterized by a desire on the part of certain city leaders for improvement through the use of public funds. However, the public preferred to rely on private means to furnish public services. During the following years this attitude changed and Iola became more conscious of the benefits of public ownership. The city boasted a potential few could rival. The growth during the previous years had been phenomenal. Iola had gained four zinc refineries, a brick plant, a foundry, a cement factory which would start production the next year, telephones, a fire department, and numerous small businesses and factories.

At the close of the nineteenth century, Iola was quite different than it had been four years earlier. No longer was it a provincial little village on the edge of the mainstream of American life. The influx of new industry and the increase in population—300 percent increase over the 1895 total—left a mark on the city which would be seen with greater frequency in the years which followed.

45Iola Register, October 19, 1947.
CHAPTER IV

THE IMPROVEMENT YEARS: 1900-1904

"... Iola will probably not be a city greater than 500,000 people."

Iola Daily Record

The new century began on a bright note for Iola. The Iola Portland Cement Company, just completed in the early part of 1900, added another "first" to Iola's growing list of uses for gas. The Adams' report for the House of Representatives contains the following passage:

The large supply of natural gas in Kansas which is available together with the inexhaustible deposits of materials suitable for the manufacture of cement which are located in the gas fields has brought about the introduction of the Portland Cement industry in the state. The Iola Portland Cement Company's plant at Iola, completed in 1900, enjoys the distinction of being the first one to use natural gas for fuel. It has a capacity of 3,000 barrels per day.¹

This new success for Iola did not go unnoticed by the proponents of city ownership of public utilities. Agitation began immediately for a bond issue to finance the building of a city-owned water and electric plant. William McClure, a staunch supporter of city ownership, was mayor of Iola and he met with relatively little resistance in getting the proposal on the ballot. The Allen County Democrat, recording a vote of 530 to 308 for the bond issue, commented: "Probably the quietest election ever held in Iola was held Monday for the purpose

¹Adams, Economic Geology, p. 63.
of deciding whether the city should vote $80,000 for water works and electric lights." Thomas Bowlus, city treasurer at that time, later reminisced in the Register that the price of the bonds had been set at $200 instead of the normal $1,000 in order to allow many of the small businessmen in Iola to buy them. However, the entire issue was purchased at par by the William and Josiah Lanyon Smelting Company.

To insure that the city water and light plant would have a city controlled supply of gas and thereby be completely free from the influence of outside interest, the city council leased a city lot from C. C. McCarty. McCarty owned a carriage factory located one block south of the city square on the corner of South Street and Broadway. In return for all the gas he might need for his home and factory, he allowed the city to sink a gas well behind his plant. Shortly after the well was completed, the city began to lay water mains and install light fixtures. When the plant began furnishing electricity in 1902, it was provided to the public "at 4¢ per 1,000 kilowatts" for general usage. If only lights were desired, a flat rate was charged. Electricity was provided twelve hours a day for four to twelve lights at a cost to the consumer of twenty-five cents a month. The rate increased to thirty cents for an eighteen hour day.

2Allen County Democrat, March 16, 1900.
3April 15, 1949.
4Iola Register, November 26, 1900.
5"Proceedings," C, 172; Iola Weekly Record, August 1, 1902.
Iola's population was over 6,000 by the end of 1900 and Mayor McClure began a campaign to have Iola declared a second class city. Under his administration the city made tremendous strides towards becoming one of the most modern and progressive cities in Kansas. In 1901 plans were made for a city-wide street paving project; in the next year, sewer lines were laid throughout the city. The same year that street paving plans were drawn up, the state legislature enacted a statute permitting counties to levy a tax of two and a half mills to finance the construction of court houses. As an added incentive to Allen county, Iola donated to the county four square blocks of land in the center of town. Work on the new court house began in August 1903 and the structure was completed thirteen months later.

The new court house was not the only construction taking place in Iola. The Daily Record of February 28, 1902, urged Iolans to buy stock in the new opera house. However, like many of the "non-essential" improvements in Iola, the major stockholders were not Iola citizens. Levi Chipman and E. E. Buch of Illinois provided the greatest portion of the capital necessary. A local man Josh Butler owned a small amount of stock and acted as public relations man for the company. Despite the obvious enthusiasm with which the venture was greeted, the Daily Record left no doubt that the purchase of stock in the company was moving very slowly.

A bond election for the construction of two new schools passed with surprising ease. In fact, this election to finance two modern

school buildings drew even less attention than the water plant election of 1900, attracting only a light turn-out of voters who were almost totally in favor of the bonds—468 to 18.\(^7\) This was in striking contrast to the bitter struggle necessary in 1898 to get voter approval for only one new school. As a result of the election, McKinley grade school was completed in late 1902 and Garfield grade school in 1903. Thus, by 1904 Iola had five schools, three of which were less than five years old, and over 2,600 pupils enrolled.\(^8\)

The public's more liberal approach to the financing of education was evident not only in the new facilities but also was seen in the teachers' salaries which moved closer to the average salary of skilled labor in Iola. In 1899 the school teacher in Iola received an average compensation of $344.50 for ten months work.\(^9\) The average factory worker in Kansas earned a wage of $470 during the same year.\(^10\) The school term of 1903-1904 saw teachers' salaries increase to forty-seven dollars per month for grade school teachers and sixty-one dollars for high school instructors, for an annual salary of $423 and $549 respectively.\(^11\) These salaries compared favorably with those of cement

\(^7\)Iola Daily Record, March 31, 1902.
\(^8\)14th Biennial Report of the Department of Public Instruction, State of Kansas, 1903-1904 (Topeka, 1904), 76.
\(^9\)12th Biennial Report, Public Instruction, 1899-1900, 98.
\(^11\)14th Biennial Report, Public Instruction, 1903-1904, 80.
plant and smelter employees who received $565 and $597 for their labors.\textsuperscript{12} Although teachers' income was below that of the average industrial worker in Iola, it was superior to the salaries of most of the teachers in the urban areas of Kansas.

While educators were not overpaid, they did receive more than some elements of the Iola labor force. The Kansas census of 1905 list the average wage of a farm laborer in the area as twenty to twenty-five dollars plus board for a month's work. More skilled labor drew much higher pay. Carpenters averaged two dollars and fifty cents a day, wagon makers two dollars, and stone masons as well as brick layers were paid three to five dollars a day.\textsuperscript{13} But the census taker neglected to record the wage of the factory workers employed by any of the smelters, brick yards, or the foundry. However, since two of the four cement plants in the state were located in Iola and they were the largest in Kansas, the figures provided by the Kansas Bureau of Labor and Industry would be representative of Iola cement workers. The same situation exists for smelter workers. Iola had nine of the twelve smelters located in Kansas; thus, state figures reflected primarily what occurred in the Iola area. Workers in these two industries averaged between two dollars and two dollars and fifty cents a day.\textsuperscript{14}

Industrial Iola as well as most of eastern Kansas was fertile ground for union activities. Progress towards unionization in Iola

\begin{itemize}
  \item \textsuperscript{12}Bulletin of the Bureau of Labor and Industry for 1905 (Topeka, 1906), 46-47; 48-49.
  \item \textsuperscript{13}'Manuscript Census of 1905,' Allen County, I, 47.
  \item \textsuperscript{14}Bulletin of Labor and Industry, 1905, 46-47; 48-49.
\end{itemize}
began in 1900 when one union began recruiting members. Unionism rapidly took root in the Iola area. From a single union in 1900, the number increased to four in 1901, seven by 1902, and sixteen in 1903. This was contrary to the general picture of labor unions as presented in Marc Karson's article, "Trade Unions in Kansas." In his opinion, "the depression years of 1903, 1904, and 1905 were particularly destructive to Kansas unions." Iola unions were at their peak during those years. Twelve unions were represented at the 1905 Convention of the State Society of Labor and Industry. However, after 1905 Iola unions lost influence rapidly. Only four reported the following year and their total membership was only sixty. The proceedings of the Kansas State Federation of Labor listed five unions which were still able to continue operating in the Iola area. But their membership was small and their influence even smaller.

From the first days of Iola's industrial growth the Register waxed hotly about the dangers of labor organizations and the "nefarious business" of strikes. A weekly column was devoted to relating the stories of individuals who became involved in unions and as a result

15 Appendix to the 16th Annual Report of Business and Labor, 1900 (Topeka, 1901), pp. 4-7.
16 Bulletin of Labor and Industry, 1901, 55-60; Iola Daily Record, February 21, 1902; and Weekly Record, April 17, 1903.
18 Archives of the Kansas State Historical Society, Kansas State Federation of Labor Proceedings (Topeka, 1907), p. 22.
lost their positions, money, health, and families. These warnings were largely ineffectual as several strikes took place during the 1900-1904 period.

The first strike in the area took place before the unions had any strength. The incident came about as a result of the anti-foreign prejudices which existed in Iola. In July 1900 a foreman was moved from the Lanyon Works Number 1 to the Lanyon-Cherokee plant. To make matters worse, the foreman was a Pole. The three-day walk out ended when the company promised not to hire any more Poles and agreed to move the foreman back to his old job. Eighteen months later the Clerks International Union went on strike for shorter hours. By this time the unions were beginning to gain some influence and they ordered a boycott of all stores remaining open after the 7:30 p.m. closing time requested by the clerks. Shortly thereafter, the employees of the Iola Electric Railroad walked off their jobs. Prior to the strike, they had been receiving twelve cents an hour for a normal twelve hour day. The strike lasted for thirteen days, being settled on September 23; and, although the terms of the settlement were not published, it was assumed that the men received the three cents an hour wage increase they sought. Fresh from their victory eight months earlier, the unions actively supported the strikers. A temporary bus line was established to enable the factory workers to get to work and back without riding the Electric Railroad.

\[19\] August 21, 1896.

\[20\] Allen County Democrat, July 20, 1900.
During the strike, Frank V. Crouch, the owner; his son; and the assistant manager attempted to run the line. The strike never reached the point of violence or destruction of property but occasionally Crouch would find a pile of rocks or an overturned wagon blocking the tracks.  21

The final strike during the boom period in Iola was a disaster for the unions as they never recovered from the loss of influence and membership. Employees of the Iola Portland Cement Company walked out to force the company to fire A. T. Bevier on the grounds that he was a "union breaker" and that he discriminated against union members. The management of the company refused to bargain with the union and let it be known that they would replace anyone who did not return to work the following Monday morning. The union was unable to convince the workers to hold out and the strike collapsed.  22

The rise of the unions was due in part to the newspapers which supported them. The Allen County Democrat began a series of editorials in May 1901 which had a dual purpose. To support the Typographical Union and to increase its circulation, the Democrat exposed the working conditions and wages of its Republican competitor, the Register. Register personnel, according to the editor of the Democrat, received only twelve cents per thousand ems printed and compositors received only

21 Iola Daily Record, September 11, 12, 13, and 23, 1902.

an average of eight cents an hour. The Register chose to ignore the attacks either because the charges were embarrassingly true or obviously false. Within two years, however, almost all newspaper personnel belonged to the Typographical Union Number 481.

Management begrudgingly accepted the unions. There was no use of court injunctions to break the strikes. The companies relied on the use of "yellow dog" contracts and discrimination in hiring to keep the strength of the unions at a low level. While there were a large number of unions in the Iola area, only about ten percent of the work force held union membership. Local businesses were not seriously alarmed by the unions, even after the clerks' strike. Unions in the factories and smelters meant higher wages and a corresponding increase in spending which was to the benefit of the businessmen.

Two newspapers, the Allen County Democrat and the Iola Daily Record, gave support to the goals of the unions. And the unions, for their part, were not involved in any long or violent strikes. The companies, on the other hand, anticipated the actions of the unions and moved to placate them and avoid a confrontation. Wages were relatively high and working conditions comparatively good.

23Allen County Democrat, May 24, 1901.
24Iola Weekly Record, April 17, 1903.
252nd Biennial Report, Labor and Industry, 1903-1904, 162.
26An example of this is best illustrated by the proposed smelter strike of 1903. In March and early April the Smeltermen's Union began planning a concerted effort to raise wages for day personnel by 20¢ a day and to obtain a 35¢ a day raise for the night shift. Before the union could completely coordinate the strike, the companies proposed a settlement plan which the union accepted. Thus the only serious attempt to strike Iola's major industrial complex was averted. See Iola Weekly Record, April 17 and 24, 1903.
The advances made in wages and working conditions and the various municipal improvements completed during the years 1900 to 1904 had a stimulating effect on Iola. The population increased by ninety percent from 6,153 to 11,069. This increase aroused a corresponding increase in the building industry. During 1903 this construction reached its peak as over 500 new homes were erected, providing the city with a look of newness with few slums.

Iola also attracted an electric railroad which increased the population base for added industrial development. When completed the Iola Electric Railroad connected approximately 10,000 people to the Iola industrial complex and allowed commuting from the outlying villages six miles of Iola and one mile south.

In December 1900, Frank V. Crouch, a trolley railroad promoter from Carrellton, Missouri, about 150 miles northeast of Iola, began a one-man campaign to organize a transportation system which would serve the thousands of workers in the area. It was Crouch's intention to connect LaHarpe, Lanyonville, LaGrange, Melrose, Concreto, Gas, and Bassett to Iola. Bassett was about one mile south of the city limits while the rest of the towns lay between Iola and LaHarpe, six miles east. With the financial assistance of Northrup, Boulus, and Robinson, Crouch incorporated the Iola Electric Railroad and work began. On December 23, 1901,

28 Ibid., Historical Supplement, May 13, 1907, p. 64.
29 Chandler, Trolley Through the Countryside, p. 13.
the first trolley lumbered its way down the tracks and Iola made a major step towards solving its transportation problems. To ride from LaHarpe to Gas, the center of the line, cost five cents and from there to Iola another nickel. To ride the entire length of the line from LaHarpe to the Neosho River, one mile west of Iola, cost the passenger a dime.³¹ The line's main purpose was to serve the cluster of factories east of the city and the four smelters and cement plant located along the line to LaHarpe. The cars began operation at 3:45 a.m. and the last run left Iola at 11:30 p.m.³² This schedule was geared to the factories which were working two shifts. When they expanded to three, the railway increased its operating time to twenty-four hours a day. The lack of passengers during the late evening and early morning hours was compensated for by the freight which was transported during these hours.

The Iola Electric Railroad was a success from its very beginning. Work began in May 1901 with an original investment of $50,000; but, by June 17 an additional $100,000 in investment capital had been forthcoming.³³ The first full day of operation exceeded the expectations of the owners as 2,796 fares were paid. The following day the volume reached 1,000 by the early afternoon when the Register went to press;³⁴ and the Iola Electric Railroad was a reality.

³¹Chandler, Trolley, p. 16; Ritter, Ordinances, p. 174.
³²Iola Daily Record, February 18, 1902.
³³Chandler, Trolley, p. 17.
³⁴Iola Register, December 26, 1901.
The number of fares increased as additional cars were added and the city attracted new industry. By 1906 the line was averaging 60,000 fares a month. July 4, 1906, saw approximately 30,000 passengers travel to an amusement park built beside Rock Creek a mile east of town. During the summer of that year, the railway claimed to have transported over 500,000 persons for a monthly average of 125,000, a figure which would indicate a minimum gross income of $25,000 from passengers alone.

The immediate and continued success of the venture prompted the citizens of Humboldt to write Crouch requesting that the line be extended to them. It was Crouch's long range plan to connect all of southeastern Kansas with a line which would originate in Iola and terminate in Pittsburg. All that was necessary, he assured Humboldt, was for that city to pay the cost of a survey—about $150. The survey was eventually completed, but the tracks to Humboldt were never laid. The recession of 1907 and the falling gas pressure forced Crouch to abandon his grandiose plans for expansion.

While 1901 had been a year of consolidation by the firms already operating in Iola, 1902 was a year of expansion and introduction of new companies. The Kansas Portland Cement Company began operations on the northeastern edge of Gas where the little village of Concrete came into existence. The New Jersey Zinc Company bought both the smelters in Gas and united the Nicholson Smelter and the Prime Western

35 Chandler, Trolley, p. 19.

36 Iola Register, March 7, 1902.
companies under one management. Within a year they had doubled the original capacity of the two plants. The United Zinc and Chemical Company built a smelter and a sulphuric acid factory east of town. The two Lanyon companies merged and built a zinc rolling mill to process the spelter from their combined smelters.

A minor furor rippled through Iola when traces of gold and silver were found in the residue of zinc ore shipped from Leadville, Colorado, and Canada. The Cherokee-Lanyon Company of Pittsburg built a trial smelter to extract these precious metals; however, in less than a year, the project was abandoned as the extraction cost exceeded the value of the gold and silver.37

Industrial Iola could boast, as its newspapers and citizens did, of its prowess. "In 1902 the furnaces of the smelters in Iola produced about 66,000 tons of spelter, which at New York quotations, had a value of $6,201,600."

At that time the total amount of spelter refined by the smelters of the entire Kansas gas field since its discovery was about 375,000 tons of which 300,000 had been processed in the Iola area.39 The next year four companies were operating eight smelters, one rolling mill, and one acid works employing over 2,000 men. Five brick yards employed 175 men and sixty more were working in

37 The information in the above two paragraphs was taken from Adams, Economic Geology, pp. 41-43; Kansas Bureau of Labor and Industry, Oil, Gas and Glass (Topeka, 1903), pp. 24-25; and Weekly Record, December 12, 1902.

38 Adams, Economic Geology, p. 43.

39 Ibid., p. 37.
the foundry. The cement companies utilized an additional 450 men, providing Iola residents with more than 2,685 jobs in heavy industry alone. Three major railway lines employing still other Iolans ran their trains through Iola: the Santa Fe, running north-south; the Missouri Pacific, crossing east-west; and the Missouri-Kansas-Texas, which ran a branch line from Piqua through Iola to Moran in 1902.

At the end of 1904 Iola was a modern city. Interestingly enough for a city which had relied so heavily on private resources, all public utilities except transportation were owned by the city. The main streets were paved and paving was continuing to the side streets. There existed a city-wide sewerage system, new schools, and a population of more than 11,000. Businesses and industries were expanding. The unions had sufficient influence that wages had reached a relatively high level. Iola ranked high on the list of modern and progressive cities in Kansas. Indeed, the present made the future appear so bright that the statement "Iola will probably not be a town greater than 500,000 people," did not seem incongruous to the local citizen. The fact that it was made by a city councilman while discussing the type of sewer system needed by the city added to its credibility. Two plans had been proposed to the city council. The first was the least expensive but was limited in expansion possibilities. Because of


42 *Iola Daily Record*, February 27, 1902 [Italics added].
its limitation it was rejected in favor of the more expensive system which could be expanded to serve 500,000 persons. By 1907 the city council was requesting bids to expand the system and the council's selection seemed well founded. ⁴³

⁴³ "Proceedings," 0, 317.
CHAPTER V

THE PEAK YEARS: 1905-1907

"... it [The gas field] will last as long as the youngest man lives. The history of it shows that it is to be permanent."

Iola Daily Record

Iola was literally blasted into the peak years. The question of illegal taverns or "joints" provided the spark which nearly destroyed a large part of the city's business district. An acceptable solution to the problem had never been found. Despite the efforts of the city council, the police, and various citizens groups, the "joints" continued to exist.

On the evening of July 9, 1905, Charles Melvin, recently released from a mental hospital, offered his solution. He planted approximately 500 pounds of dynamite in the business houses which also housed drinking establishments or those which he thought contributed to their continued existence. When he finished, three sides of the city square were charged with explosives. At 12:26 a.m.—the time was known exactly as the explosions stopped the courthouse clock at that moment—the dynamite began to explode. However, due to faulty fuses, only three buildings were destroyed. These buildings, containing the Eagle, Red Light, and Blue Front saloons, were completely destroyed.¹

The alarm of the citizens reached panic proportions when it was discovered that over 1,500 pounds of dynamite had been stolen from the

¹Iola Register, July 10, 1905.
Kansas Portland Cement Company's supply and only 489 pounds could be accounted for. The Register ran a special message in bold type on its front page pleading: "The thing to do is to keep cool--and keep cool--and cool."^2

Although it was widely proclaimed that Charles Kelvin was the guilty party and he confirmed this by writing letters to the newspapers, mayor, and governor boasting of his feat, the police were unable to find him. A posse was formed to scour the countryside, but no trace of Kelvin could be found. An anonymous tip almost a month later resulted in his arrest on August 4 in Keystone, Iowa. He was returned to Iola for trial, convicted, and sentenced to serve from six to fifteen years in the state penitentiary at Lansing.^[3]

The reaction of the police to the blasting served only to add fuel to the fire. Several citizens were arrested and jailed on "suspicion of knowing something about the explosion."^[4] Among those arrested was former Congressman Edward H. Funston, father of General Fred Funston. This unthinking action by the police came as a response to Funston's comment that he approved of the dynamiting and his criticism of the police force for not closing the "joints" in compliance with the law. The overzealous action of the police was further compounded by the refusal of the city attorney to drop the charges.

^2Iola Daily Record, July 10, 1905.
^3Iola Register, July 10, 1905.
^5Ibid., July 10, 1905; Iola Daily Record, July 10, 1905.
The subsequent prosecution by the city attorney resulted in criticism of the city by virtually every major newspaper in the state, especially after Funston was tried, convicted, and fined on two counts. When he appealed to the District Court, the city finally dropped the charges. 6

All but 200 sticks of the dynamite was recovered and Iolans turned to the task of rebuilding. However, many of the taverns and saloons closed their doors for a time and some moved out of Iola. Nevertheless, within a year, the problem of the "joints" was to come to a head again. 7

The treatment of Funston was not an isolated case in the annals of the city police court, but generally men of his stature received better treatment. It was primarily the Negro who bore the brunt of many such cases. Many Negroes in Iola had been lured to southeastern Kansas to break the miners' strikes in the late 1880's. Posters were scattered throughout the Deep South proclaiming the benefits of working in Kansas. 8

The number of Negroes in Allen county remained fairly constant after their movement into the area. The Census of 1900 lists only 386 Negroes in the entire county, a decrease of eight from the 1890 total. 9 Negroes represented only two percent of the population. The expansion

6 The Centennial Edition of the Register states that Funston was never brought to trial. However, both the Register and Daily Record of July 19, 1905, give the final argument of the defense and the findings of the court. The July 13 and 22 editions of the papers carry excerpts from the Kansas City Star and Journal, the Lawrence Gazette and Journal, the Topeka Herald, the Parsons Sun, and the Paola Spirit criticizing the Iola police.

7 See page 27 above.

8 Bright (ed.), Kansas, II, 285.

after 1900 attracted increased numbers of Negroes. This minority group grew steadily until six and a half percent of the Iola population was Negro and more than fifty percent of the Negroes in the county lived in Iola.  

It was this influx of Negroes which brought to the surface additional latent prejudices of Iola. Discrimination against the black man showed itself in two distinct areas—employment and the courts. The jobs open to Negroes were those which could not be filled with whites. These were the lowest paying and the most menial.  

The most brazen examples of discrimination took place in the courts of justice. This was especially true of the city police court, which handled the misdemeanor charges. On May 13, 1901, a case of assault was tried. The particulars of the case were simple. Edward Downey, a white man, had, while intoxicated, attacked a Negro woman. A bystander, John Potts, a Negro, came to her defense. Both men entered pleas of not guilty—Downey based on the fact that he was intoxicated and Potts based his plea on his defense of another person. The judge refused to accept Downey's plea because "too many men were successfully escaping justice through the use of this plea." Both men were found guilty and fined. The Register glossed over the case but the Allen  


11 Statistics about Negro employment in Iola are unavailable. The basis for this statement is found in the newspapers of the day. Most references to Negroes gave their occupation, i.e. John Doe, Colored, a janitor at the cement plant. The most common occupations listed were common laborer, quarry worker at the cement plants, or janitor. The Kansas "Manuscript Census of 1905" uses the term laborer to describe the occupation of most Negro males.
County Democrat was bitter in its denunciation of Potts' conviction intimating that only the fact that he struck a white man caused his conviction.\textsuperscript{12}

A second and perhaps more condemning case was tried in 1905. George Gram was arrested for disturbing the peace, tried, and convicted. While at the local race track he cursed at two white men who had spit at him. In retaliation they attacked him. He was arrested but the other participants were allowed to go free. In fining Gram one dollar plus court cost, Judge Adair explained that the reason for the small fine was "because the white men . . . are known to be trouble hunters."\textsuperscript{13}

Less well known but no less reprehensible was the practice of charging certain persons who called the police a "transportation" fee of one dollar to answer the call. This illegal procedure was finally brought to light when the city council ordered a patrolman to return the money and bring a receipt to the next council meeting to prove that he had returned the money.\textsuperscript{14}

Ironically, it was the newspaper which represented the "Party of Lincoln" that was the greatest proponent of discrimination in Iola. The Register made it a practice to find a story of the lynching or burning of a Negro to grace its front page throughout most of the boom years. The crimes of the Negro population of the nation received

\textsuperscript{12}Allen County Democrat, May 14, 1901; Iola Register, May 14, 1901.
\textsuperscript{13}Iola Daily Record, June 10, 1905.
\textsuperscript{14}"Proceedings," C, 183.
extensive front page coverage. The other papers in Iola while they did not champion Negro equality in all matters, avoided such sensationalism and criticized the *Register* for its reporting. The Democrat and the Daily Record often called for equal justice before the law and supported the rights of "our fellow citizens" to a fair trial.

Iola's treatment of Negroes was not extraordinary when viewed in the context of the time. Discrimination, segregation, and "Jim Crow" laws were becoming accepted. The United States Supreme Court in the 1896 *Plessy vs Ferguson* case ruled that separate but equal facilities and treatment were constitutional. The white-supremacy movement was spreading rapidly throughout the nation, affecting small towns as well as large cities. However, most small cities such as Iola were limited in the extent to which they could enforce "Jim Crow" laws. It was economically unfeasible for Iola to build separate schools or separate public facilities. The small number of Negroes in the city made separation in street cars a waste of seating space. Thus, there existed only two major areas—employment and the courts—where white supremacy could be economically upheld.

Somewhat the same situation existed for those who were judged foreign and they received second class treatment from Iola's overwhelmingly native born population. Foreign born residents accounted

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for less than five percent of the county's population in 1900. This figure declined until 1910 when only three percent of the people in the county were foreign born and most of them lived outside Iola. Most numerous were immigrants from Sweden and Germany, although other countries from Russia to Cuba were represented. The vast majority of the foreign born were Swedish and lived in or near the community of Savonburg, located in the southeastern corner of the county. The native born population came primarily from Kansas, Missouri, Illinois, and Iowa, although every state in the Union was represented, including the territories of Oklahoma, Arizona, and New Mexico. By far the greater portion of the population was born elsewhere in Kansas and had moved to Iola.

Despite the small number of foreign born in Iola, there existed a dislike for them, especially when they contested for jobs. Those who escaped the tag "furinner" the easiest were white, Protestant, and from northwestern Europe. Individuals of this background were able to blend into the community of Iola more easily. Those least able to enter into the mainstream of Iola society were of Slavic or Latin origins.

The most unpleasant of these affairs occurred in May of 1900. The Iola Portland Cement Company, due to a shortage of labor, imported twenty-three Italian workers from Kansas City. The evening after they arrived, a mob estimated at fifty to sixty men rounded them up and

escorted them to the Santa Fe depot. Several of the Italians were injured, but none seriously and four Iolans were arrested. The Italians were kept in the train depot until company officials finally agreed to pay for their train fares back to Kansas City.\textsuperscript{18}

The continued discovery of natural gas in the Iola vicinity and the belief that the field was inexhaustible negated any thought of conserving the gas. Almost every well drilled produced an abundance of gas and further contributed to the perpetuation of that feeling. This attitude was encouraged by many of the "experts" and amateurs writing about Iola. "In the opinion of experts no gas field in the world, of the same extent of territory, quality, and probable permanence is equal to the Iola field,"\textsuperscript{19} wrote the editor of the Register. Another authority expanded the probable permanence of the field by stating: "The life of the Iola gas field has been variously estimated at from fifty to one hundred years by gas experts who have made a study of the subject."\textsuperscript{20}

R. C. Brown of the Loomis and Lyman Oil and Gas Company surveyed the situation in 1902 and published an article in the local paper placing the date of exhaustion of the field far into the future. "It will last as long as the youngest man \text{[in Iola]} lives. No one now living will

\textsuperscript{18}16th Annual Report of the Kansas Board of Labor, pp. 264-265; Also see page 36 above.

\textsuperscript{19}Iola Weekly Register, January 8, 1897. Direct quote of a speech made by Charles F. Scott.

\textsuperscript{20}Iola Register, Historical Supplement, May 13, 1907, p. 72. Byline story by C. D. Webster, manager of the Humboldt Oil Refinery.
ever see the time when this gas field out lives its usefulness. The history of it . . . shows that it is permanent."21

Reassured by such statements, the citizens of Iola considered the slightest excuse sufficient reason to illustrate the uses of gas. Prior to the arrival of the first industry in Iola, the Commercial Club organized a gas carnival to coincide with the county fair. Various displays were set up to show the many ways gas could be used. Railroads were induced to reduce the cost of a round trip ticket to one and one-third the price of a one way fare. Thousands of people crowded the streets of Iola and the displays burned continuously for three days. 22

In September 1898, Iolans took advantage of another opportunity to show the world that they had gas "to burn." In that month Iola entertained 20,000 members of the Modern Woodsmen of America at their annual "Log Rolling." Those coming to Iola from the east were greeted six miles away at LaHarpe by a "great arch made of gas tubing and spelling in flaming letters the words, 'THERE ARE OTHERS,'" spanning the principal street of the village, flaring torches in every door and yard, and screaming whistles at the smelters."23

This was just the beginning. Once the traveler reached Iola he was greeted by an even greater display of the use of gas. The Log Rolling officially began at 10:00 a.m. with a salute by a dozen or so factory whistles, each of which required from one to two hundred pounds

21 Iola Daily Record, February 7, 1902.
22 Iola Weekly Register, September 18, 1896.
23 Scott, "How Natural Gas Came to Kansas," 240.
of pressure to blow. However, instead of steam, the whistles were connected to a fourteen million-foot-a-day gas well. Also using the gas from this well was a huge gas "gun" placed in the courthouse square. When the gun was fired, it shot flame twenty feet wide fifty feet into the air.24 The editor of the Register computed the amount of gas used with the cost of coal necessary to produce the same quantity of energy and reported that the gas used for the whistles, gas gun, and for lighting the square cost one dollar a minute.25 Normal gas lights around the square did not suffice for the occasion. The entire square, a perimeter of eight city blocks, was surrounded with gas tubing which had holes drilled at regular intervals. At dusk each evening this huge "street lamp" was lit and allowed to burn until dawn.26

No special occasion was required, however, for the residents of Iola to waste gas. A visitor to Iola in 1900 recorded that "day and night lights are left burning in the stores and hotels. For two years the lights of the town in the public square at Iola have burned without intermission."27 However, it is doubtful that the city would allow the lights in the square to burn during the day. Gas was being purchased from the Iola Gas Company and part of the agreement stipulated that if a light was left burning, the city had to double the price it was paying.28

25Ibid., September 5, 1898.
26Scott, "How Natural Gas Came to Kansas," 241.
27Article written by John R. Herron of Boone, Iowa, for his newspaper and published in the Allen County Democrat, April 20, 1900.
But individuals purchasing gas for their residences were not subject to such a clause. Their actions would seem to indicate a deliberate attempt to bleed the earth dry. George I. Adams, in his report for the House of Representatives, was highly critical of the abuse of gas. "The mode of burning gas is very objectionable from the standpoint of economy. All lights are allowed to burn continuously day and night except in hot weather." Miss Julia McClure recalls that during the winter months her father ran a gas pipe into the various rooms of their house to furnish heat. When the temperature became too high for comfort, no adjustment was made on the make-shift stoves. Instead, the windows or doors were opened until the temperature became more moderate. These stoves burned continuously for most of the winter.

On another occasion the lack of regard for gas was illustrated by the fact that a gas well on the eastern outskirts of town was allowed to remain uncapped for over a week before it was brought to the public's attention. Still another week passed before the flow of gas was stopped.

Angelo Scott, in his article, "How Natural Gas Came to Kansas," offered an explanation for the folly which took place in Iola. "Here was gas in previously undreamed of volume. And the people who found it,

29 Adams, Economic Geology, p. 38.
30 Interview of Miss Julia McClure, June 6, 1967. Miss McClure lived with her parents and taught school in Iola during the years of the boom.
31 Iola Register, November 27, 1898.
having no experience to guide them spent it without restraint, as if it would last forever. Indeed, many of them thought it might.\textsuperscript{32} The warning of the one real expert who surveyed the Iola field fell on deaf ears. Adams, besides writing in glowing terms about the wonders of the field, warned Iclans that the average life of a well being used to its maximum extent was only five and one half years.\textsuperscript{33} But too many others had predicted that the field was permanent for Adams' statement to cause any worry. Three major fields had been discovered and almost every well drilled produced gas in sufficient quantities to be profitable. The crowning statement to top all of the wild predictions was made by C. D. Webster, an "expert" in oil. Should the gas ever run out, he felt sure that oil could be converted to natural gas and sold to the public at a cost of not more than five to six cents per thousand cubic feet.\textsuperscript{34}

For years the citizens of Iola had heard statements concerning the permanence of the gas field. Newspaper editors and gas "experts" made those predictions glibly and constantly. The business and financial leaders of the community gave gas away free of charge to industry. It was no wonder then that the average citizen paid little attention to wasteful practices. The city council had allowed city officers and employees to receive free water, electricity, and gas for years.\textsuperscript{35} To further convince the populace of the availability of gas, the city

\textsuperscript{32}Scott, "How Natural Gas Came to Kansas," 241.

\textsuperscript{33}Adams, Economic Geology, p. 58.

\textsuperscript{34}Iola Register, Historical Supplement, May 13, 1907, p. 72.

\textsuperscript{35}"Proceedings," C, 288.
council, in May 1907, reduced the price of gas to one dollar per month for each stove with no limit to the number or kind of stoves or the number of hours used. Gas-produced electricity for lights was priced at ten cents per month per light regardless of the hours used. But, it was only shortly thereafter that rumors of falling gas pressure began to circulate. All too soon it was discovered that the rumors were true and the collapse began.

But the bursting of the boom did not become a reality during the year 1907. That year witnessed, instead, the peak of Iola’s growth—the height of the boom decade. The extent of the development in Iola was best illustrated in the Historical Supplement to the Iola Register published in May 1907. Then the city contained almost half of the 30,000 persons residing in Allen county. Since 1900 Iola had shown a 250 percent increase in population while the county’s increase for the same period was only about fifty percent. Of the 11,000 increase in the county as a whole, 9,000 could be traced to Iola. The city’s physical size in 1906 was almost two square miles while ten years before it had been scarcely one-half mile square. As late as 1900 the streets were still unpaved and the sidewalks were made of boards. By 1907 over seventeen miles of paved streets and more than thirty miles of stone walks covered the city. The city was lighted by one hundred

36 Ibid., 279-280.
37 Iola Register, Historical Supplement, May 13, 1907, p. 8.
38 Plat of Allen County, 1906, p. 10.
street lamps and firemen found over one hundred fire hydrants scattered throughout the city. In place of the outdoor "water closet" the city had spent $120,500 to establish a sewer system and twenty-four miles of main lines crisscrossed the residential area. 39

Public construction took an upsurge during the 1905-1907 years which was surpassed only by the building fever of 1903. With the aid of $15,000 donated by Andrew Carnegie and the gift of two city lots by J. A. Robinson and George Bowlus, the city was able to construct a public library. 40 A $20,000 Y.M.C.A. building and a $50,000 courthouse added to the city's status. A $72,000 appropriation was approved by Congress for the construction of a Federal building and a weather station. 41 A modern hospital had been built to replace the Iola Hospital run by the Sisters of Mercy. 42

The best indication of the influence of gas on Iola and Allen county was recorded in the public records of the city and state. The assessed value of Allen county in 1896 was only $3,095,928. 43 Of this

39 Iola Register, Historical Supplement, May 13, 1907, p. 8.
41 Iola Register, Historical Supplement, May 13, 1907, p. 4.
42 The Centennial Edition of the Register states that St. John's Hospital was the first in the area. The Register of September 5, 1958, presents an interview with J. L. Grisham who claims that his father established the first hospital in 1903. However, the Weekly Record, April 25, 1902, describes an insurance plan announced by the Iola Hospital. Insured workmen paid thirty-five cents a week to the hospital; in the event of sickness or an accident, they would be cared for free of extra charge.
total only two percent represented Iola. By 1907 the county's value had increased by 130 percent to $7,288,615.\(^4\) The city on the other hand, increased in value from near $150,000 to $1,457,427, a figure which was twenty percent of the county's valuation in 1907.\(^4\)

Normally this increase in valuation would provide a fertile field for speculation. However, in Iola there was little evidence of speculation. The value of unimproved land did not rise to any significant degree. It required a decade for unimproved city lots to increase in value from ten to fifteen dollars to over one hundred. Lots with improvements increased four to five times in valuation.\(^5\) The actual purchase price in 1896 averaged ten times higher than the evaluation. By 1906 the assessment was based on twenty-five percent of the actual value. The following chart is one example of land values in Iola during this period. The lots in question were located two blocks north of the courthouse square.

\(^6\) "Tax Roll," City of Iola, 1896 and 1906. See evaluation for blocks 7 and 38 in both books, pages 2, 3, and 12.
CHART II: LAND SALES.47

<table>
<thead>
<tr>
<th>Location Block/Lot</th>
<th>Year of Sale</th>
<th>County Valuation</th>
<th>Sale Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>38/4</td>
<td>1896</td>
<td>$ 15</td>
<td>$ 125</td>
</tr>
<tr>
<td>38/4</td>
<td>1897</td>
<td>$ 15</td>
<td>$ 125</td>
</tr>
<tr>
<td>38/4</td>
<td>1903</td>
<td>$400</td>
<td>$1600</td>
</tr>
<tr>
<td>38/4</td>
<td>1905</td>
<td>$450</td>
<td>$1600</td>
</tr>
<tr>
<td>38/6</td>
<td>1897</td>
<td>$ 15</td>
<td>Purchased for taxes $1200*</td>
</tr>
<tr>
<td>38/6</td>
<td>1909</td>
<td>$320</td>
<td></td>
</tr>
</tbody>
</table>

*Increase due primarily to the addition of a house to the lot.

Unimproved land did not rise in value nearly as rapidly as did that with improvements. Such lots in Iola sold for prices ranging from $150 to $350.48 The average price for land outside the city was from forty to fifty dollars an acre. "It is doubtful," continued the editor of the Register, "If within ten years very much of it can be purchased under from $75 to $100 an acre."49 This optimistic outlook proved to be unfounded once the gas gave out.

The major factor in the increased value of the property in Allen county and Iola was not land. The List of Domestic Corporations

47"Deed Records," XVIII, 445; XIX, 451; XXII, 230; XXXIX, 313; XLVI, 35; XLVI, 209; LV, 126. "Tax Rolls," 1896, 12; 1897, 12, 1903, 12; 1905, 12; 1909, 12.

48"Deed Records," XLII, 21-79; City Council "Proceedings," C, 104, lists the actual value of city lots on the outskirts of Iola as $125 for unimproved land and $650 for improved city lots.

published by the Secretary of State contain ten corporations in Allen
county which reported. These ten were authorized a total capital of
$321,800. The actual capital reported by these companies was $203,868.50
But many of the large domestic corporations operating in Iola with
business offices elsewhere failed to report. The seven foreign corpora-
tions which did report had an authorized capital of $6,037,000 and a
paid up capital of $6,035,000.51

Although the major portion of capital invested in Iola was from
outside sources, Iolans played an important role in controlling these
investments. The following chart indicates the diverse companies in
which certain members of the Commercial Club invested. All of the
enterprises listed below except the Bank of Allen County were begun
during the boom although Scott did own the Weekly Register prior to
1897 when he began the daily edition. The ownership of most of these
companies was highly concentrated with eight of the fourteen invested
in by three or more men. Each of these men was a long-time resident
of Iola and many of their fathers were business associates. There was
also a large amount of overlap in the ownership for each individual,
especially in the real estate companies. All of the individuals
considered belonged to two of the companies and three of them had
invested in all of the companies.

50 16th Biennial Report of the Secretary of State, Kansas, 1907-1908,
pp. 27-55.

51 Ibid., pp. 61-65.
These five men not only influenced the above companies by the stocks they owned in the companies but also because of the interlocking nature of their relationship in the Commercial Club. The influence which the above companies exerted over the economy of Iola was considerable. The three land companies controlled over 200 acres in city lots and land bordering the city limits. At one time the industrial area

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The information for this chart was taken from the Corporation Charters at the Archives of the Kansas State Historical Society and the Allen County Deed Records for the years 1896-1907. The information about Charles F. Scott is incomplete as he was not listed on any of the original charters and it was only accidentally that the above was discovered in the Deed Records.
east of the city was owned by the Iola Realty Company. The residential area in the southeastern portion of the city known as Brooklyn Park addition was owned by the Iola Town Improvement Company. This area—thirty-two acres—was divided and sold as city lots.

The gas in the area was distributed first by the Allen County Gas Company and later by the Iola Gas Company. The Iola Gas, Fuel, Light, Power, and Manufacturing Company specialized in providing fuel and electricity to the many small industries in the area and to the amusement park. Originally all companies were provided with free gas; however, this was stopped shortly after the Palmer Oil and Gas Company sold its leases to the Lanyon interests and withdrew from the area. No exact date for the termination of this policy could be found, but by 1901 some of the companies were paying for gas used.

All of the banks in Iola were influenced by the members of the Commercial Club. Two of the three banks were owned by members of the club. By virtue of the fact that these banks controlled the capital of the community, they also controlled the amount of speculation that could take place. The degree to which they controlled the introduction of new industry was illustrated in the January 1902 Daily Record. During that month an individual came to Iola seeking financial backing for a new factory. This factory was to use sugar cane for making sugar.

53 This information was garnered from the Allen County Deed Records for the years 1896-1907.

54 The Iola Electric Railroad bought its gas from the Iola Gas Company until a well was drilled on Property owned by Crouch. Iola Daily Record, October 23, 1901.
paper, and cellulose. Cane, Iola was assured, could be grown with ease along the Neosho River. All that the promoter required was the deed to forty acres of land on the outskirts of Iola, one highly productive gas well, a large loan, and the city's blessing on the sale of shares of the company to local businessmen. The Commercial Club refused to recommend approval of the venture and none of the banks would approve a loan to the individual. Based on the recommendation of the Commercial Club, the city council voted to reject the proposition.55

The business leaders of Iola desired expansion and improved business opportunities. However, they did not want the region infected by run-away speculation. By giving the item of primary value—gas—free of charge, the area was not nearly as lucrative for speculators. There was only one major attempt at speculation in the Iola area. The thousands of acres leased by the Standard Oil subsidiary, Palmer Oil and Gas, brought no great wealth to that company during the five years the company was in the region. It was impossible to sell gas which others were giving away. It was only after the sale of the leases by the Palmer company to the Lanyon Zinc Company that mention of the sale of gas to businesses is found. This land, laying north of Iola, remained primarily undeveloped until late in 1906 when the first deep wells began to produce. This field was thought to be the most productive when first discovered; however, within one year, it began to fail as did the other two fields around Iola.

55January 15, 1902.

56Haworth, Special Report on Oil and Gas, p. 31.
The lack of speculation had several desirable effects. Inflation remained at a low level as was witnessed by the low cost of foodstuffs influenced by a readily available supply and the increase in land valuation which was sustained and considered reasonable. The capital which would have been used for speculative ventures was free to back further industrial expansion and improvement. The local economy was thus spared a ride on the inflation spiral which inevitably ended in disaster for the community as a whole.

57 See page 53-55 above and Iola Weekly Record of January 17, 1902, and May 31, 1906. The price of staples—flour and meat—rose from $1.05 for fifty pounds of flour to $1.40 in 1906 and meat rose by an average of eight cents a pound.
CONCLUSION

Throughout the history of the United States many areas have experienced booms. All booms contain several common elements. But three of these elements are essential for the boom to exist. The first essential element is the discovery of a resource of real or fictitious value. In the case of Iola, the value of the resource was actual whereas in many land-oriented booms, it was often fictitious due to speculation. This discovery is followed by an emphasis on municipal improvements which, in the Iola area, was belated. The emphasis on improving the area serves to attract more residents. Thus, it gives rise to the third factor—a large increase in population.

Although these elements were present, their impact was modified in the Iola situation. This moderation was due to two distinct factors. First, because of the nature of natural gas and the lack of previous experience to establish its worth, the boom developed slowly, and only gradually was the value of gas and its commercial uses discovered. Gas was different than the source of other booms. It could not be carried away like gold. It was more of an abstraction than oil, as it could not be seen. An uncapped gas well presented no indication as to how much gas was being put forth; an oil well, on the other hand, spewed forth a substance which was highly visible. This lack of visibility and the fact that Iola was the proving ground for the natural gas industry caused the boom to develop slowly.
The second significant factor which mitigated the normal course of the boom was the influence of the members of the Commercial Club.¹ These men were primarily concerned with permanent development rather than with promoting conditions which were favorable for speculation and quick profits. They emphasized the use of private resources in developing the area which would avoid those ventures which were not economically feasible and the risking of public funds on projects which might fail. This approach also was profitable for the private investor as is evident in Chart III.

The laissez faire philosophy expounded by these men had a strong influence on the local population and urban expansion and improvement followed the same general pattern as did the development of the commercial uses of gas.

The early years of the boom were characterized by a tendency which could best be described as skeptical anticipation. The fear of over-expansion and the resulting inflation motivated the local citizens to rely on private rather than public funds for municipal improvements. The plight of the citizens of Wichita, Leavenworth, and Fort Scott and their previous booms during the 1880's was not unnoticed by Iolans. The public bonds voted by those communities returned to haunt depleted populations for many years after their booms had collapsed.

It was only gradually that Iola became aware of its potential and began to think in terms of the use of public funds for civic ventures.

¹See Chart III, page 65 above.
Once this potential was recognized, the citizens voted approval for a variety of bonds and entered into a period of building and improvement which resulted in the public ownership of all the public utilities except transportation. City and county public buildings were constructed, a police force was developed, an active fire department was established, new schools were built, sidewalks were laid and streets were paved, and Iola became one of the first cities in southeastern Kansas to provide a city-wide sewer system.

The boom brought with it many problems of which the citizens in 1896 did not even conceive. But gradually Iolans learned to cope with the problems of law enforcement, fire protection, labor unions, and minority groups. Reasonable solutions came slowly and were gradually worked out to the satisfaction of most of the citizens.

Considering the lack of experience both Iola and the nation had in dealing with a boom caused by natural gas, the citizens of Iola derived more benefits, despite their mistakes, than most. On many occasions boom towns were worse off after the collapse of their booms than they were before. The reduced population was saddled with bond issues and payments for unneeded public buildings. Such communities faced years of higher taxes to pay for the folly of a few months or a brief year or two. Iola, however, was immeasurable better off after the boom. The public debt was small and well within the capacity of the community to pay. The city had a steady income from the sale of utilities.

The major regret voiced by the citizens concerned their prevailing attitude toward gas and the belief in the permanence of the field.
Proper conservation methods would have extended the life of the gas field for many more years, but instead the community had squandered much of the gas, hurrying the collapse of the boon.

Nevertheless, contemporary Iola does not appear to regret the actions of its predecessor. "The sad part is that Iola might still be an important industrial city if the people had conserved the gas supply. I guess it's sad, maybe not. It isn't too pleasant to live in smelter smoke all the time." The physical evidence of the boom has largely been removed. Brick streets have been covered with asphalt, trolley car tracks have long since disappeared, and the picturesque stone sidewalks have been replaced with concrete walkways. The courthouse which was the object of so much pride in 1903 has been replaced by a more modern building. The factories which once ringed Iola have been demolished with only the Lehigh Cement Plant and Walton Foundry standing in tribute to a bygone era.

Not all signs of the past are gone. The streets of the city follow the routes laid out in 1906. The water works has the same physical plant and capacity as it did in that year while many of the buildings surrounding the city square date from the boom years. The sewer, water, and gas lines also follow closely the paths they did where first laid.

The city's population gradually decreased until it reached a low of 6,800 in the late 1950's. But the trend was reversed within a few

2[Spencer A. Gard, et al], "Iola—Its Mineral Well and Natural Gas," Tales of Early Allen County (Humboldt, 1966), no page numbers.
years and has now increased to 7,109—one half of the 1907 total. Also, in recent years Iola has begun a concerted effort to attract new industries and has been successful to a significant degree. Since 1956 several small, but very prosperous, factories have moved into the area and are now expanding.
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Miss Julia McClure, June 6, 1967. Miss McClure lived with her parents and taught school during the boom years.

The Late Mrs. Lorene Johnson, June 6, 1967. Mrs. Johnson was the young daughter of William Lanyon during the years of the boom.
THE BOOM YEARS OF IOLA, KANSAS: 1896-1907

by

MICHAEL EDWARD HAEN

B. A., Kansas State University, 1966

AN ABSTRACT OF A MASTER'S THESIS

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ABSTRACT

Of the many booms which occurred in Kansas, the expansion which took place in Iola was of particular interest. This boom was the first in the state based on the discovery of natural gas. Industrial development which began in the Iola area was traced directly to the discovery of gas and its application in untried fields.

Every boom has three major elements—the discovery of something of real or fictitious value, an emphasis on urban development, and a large increase in population. Thus, the question whether Iola's expansion was a boom was answered through the description of the events which illustrated these elements.

These three were present in the Iola expansion, although modified in intensity. Gas was found in and around Iola in 1893, but it was not until 1896 that its worth was recognized and exploited. Four years passed before the city embarked upon an era of civic improvement. Turning the benefits of the boom to public development, the citizens of Iola approved the use of public funds for new schools, paved streets, stone sidewalks, a city-wide sewer system, and city ownership of the water, gas, and electric utilities. During the period of the boom—1896 to 1907—the population of Iola increased from 1,800 to 14,225.

The early years of the boom were characterized by timidity on the part of the local citizens in regards to the use of public funds. The primary interest of the period was the attraction of new and diverse industries. Initially the majority of the population wavered in its
acceptance of the gas as a permanent feature of the community although it was widely proclaimed as such. The benefits of the introduction of industry into the Iola economy were accepted but were channelled toward a few individuals rather than the general public. The tendency to rely on private resources for many of the improvements was evident throughout the entire period. This feeling fluctuated in intensity being strongest during the early years, weakening considerably during the middle period, and being revived after the boom collapsed.

The middle years, 1900 to 1904, witnessed the implementation of plans for public improvements. Bond issues for schools and other improvements which lost by increasingly large margins during the early years were suddenly passed with little opposition. Because of this change in attitude, Iola rapidly became a modern city.

Iola was primarily a native-born city. The number of foreigners in the city and county was small as was the number of Negroes prior to 1900. While the foreign-born minority grew smaller during the following years, the Negro community increased. With their increase came a response from the general public, especially in the courts, which brought the latent prejudices of the white community to light.

For many reasons much of the gas in the area was wasted. Various experts, as well as newspapermen, supplied reassurance that the local field was permanent. Conservation was disregarded. In spite of the tremendous wastage, the boom lasted for ten years and the whole area improved greatly.
By 1907 Iola was a thoroughly modern city. This position did not change after the "bust." Speculation had been kept to a minimum.

Land prices had not inflated nor had any bond issues been passed with inflated land values as backing. Thus, the city was in a position to continue to pay the public debt, which was small, and to provide its residents with the services established during the boom.

The events of the boom years were best recorded in the newspapers of the day, especially the Iola Daily Record and the Daily Register. Supplementing these sources were the journals of the city and county councils. The works of George I. Adams added an excellent description of the region prior to 1904. But, aside from a 1934 article by Angelo Scott, little secondary source material was available.