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A Farmer's Alliance

The Joint Stock Companies of the Home District and the Economic Roots of Deliberative Democracy in Upper Canada

Albert Schrauwers

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See table of contents

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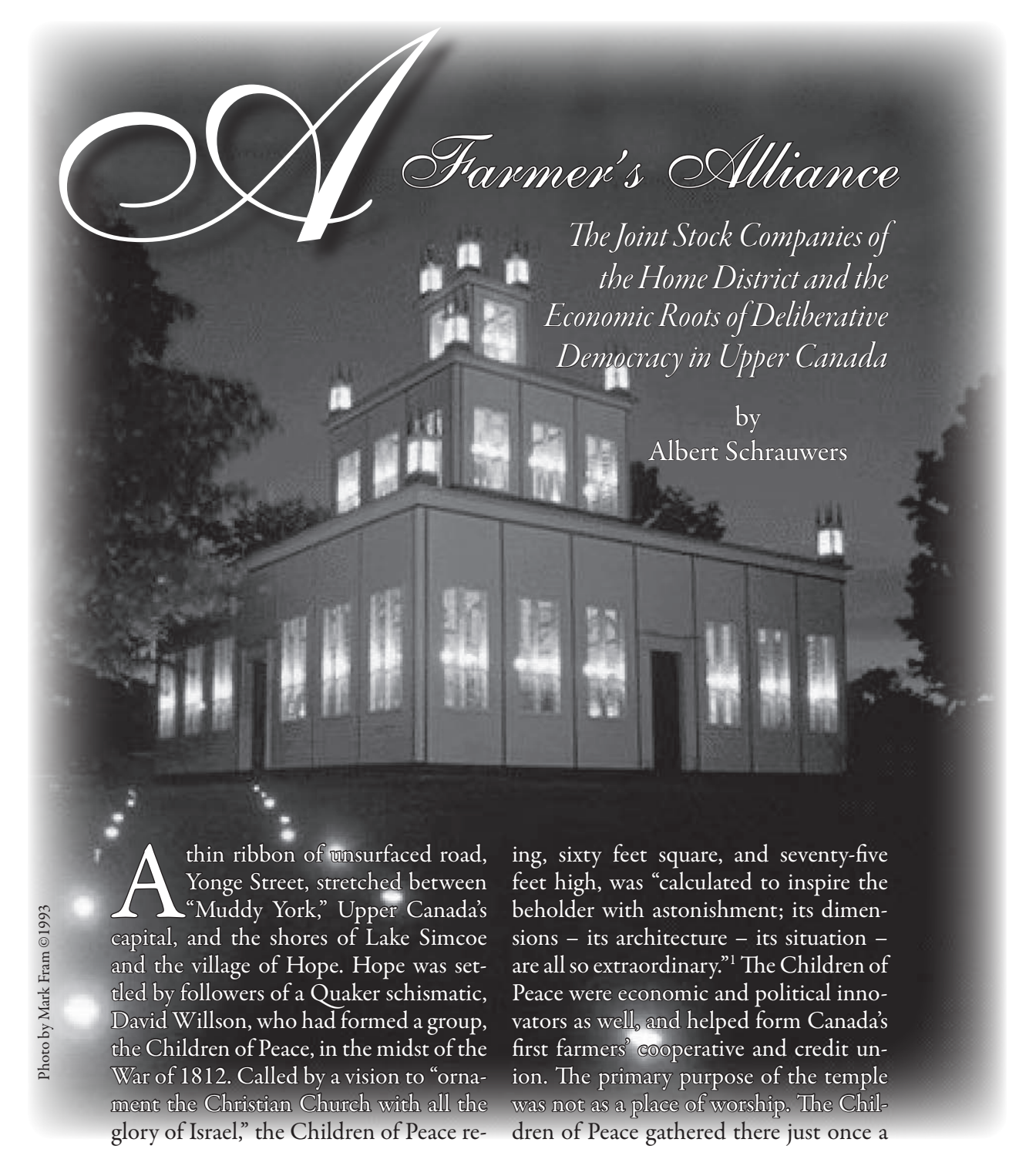

A Farmer's Alliance

The Joint Stock Companies of the Home District and the Economic Roots of Deliberative Democracy in Upper Canada

by
Albert Schrauwers

Photo by Mark Fram ©1993

A thin ribbon of unsurfaced road, Yonge Street, stretched between "Muddy York," Upper Canada's capital, and the shores of Lake Simcoe and the village of Hope. Hope was settled by followers of a Quaker schismatic, David Willson, who had formed a group, the Children of Peace, in the midst of the War of 1812. Called by a vision to "ornament the Christian Church with all the glory of Israel," the Children of Peace rebuilt Solomon's temple, the seat of their "New Jerusalem." This three-tiered building, sixty feet square, and seventy-five feet high, was "calculated to inspire the beholder with astonishment; its dimensions – its architecture – its situation – are all so extraordinary."[1] The Children of Peace were economic and political innovators as well, and helped form Canada's first farmers' cooperative and credit union. The primary purpose of the temple was not as a place of worship. The Children of Peace gathered there just once a month to collect alms for the poor. The Children of Peace, having fled a cruel and

[1] *Colonial Advocate*, 18 September 1828.

Abstract

This article addresses the economic roots of the fight for democratic reform in Upper Canada, and the role of a small religious sect, the Children of Peace, in particular. The Children of Peace were critical players in a number of "joint stock companies" such as the Farmers' Store House (a co-operative farm produce marketing company) and the Bank of the People. Joint stock companies lacked a charter or limited liability for their shareholders, and this made them models of "responsible government." These companies, and their directors, helped found the democratic reform political union, the Canadian Alliance Society, and build its meeting place "Shepard's Hall."

Résumé: Des raisons économiques sont aussi à ***l'origine de la lutte pour*** *l'introduction de réformes démocratiques dans le Haut-Canada. C'est à ces raisons que nous nous attachons dans cet article, notamment en étudiant l'influence d'une petite secte religieuse, « Les Enfants de la Paix ». Cette secte jouait un rôle important dans de nombreuses 'sociétés par actions', telles que la* Farmers' Store House *(une compagnie responsable de la vente des produits provenant de fermes coopératives), ou la* Bank of the People. *Dans la mesure où dans les statuts de ce type de compagnies, il n'y avait pas de provisions limitant la responsabilité des actionnaires en cas de dettes, ces sociétés se voulaient des modèles de « gouvernement responsable ». Elles, et leurs administrateurs, ont notamment contribué à la formation de la* Canadian Alliance Society, *société ayant pour but la promotion de réformes démocratiques en politique, et à la construction de son lieu de réunion,* Shepard's Hall.

uncaring pharaoh, viewed themselves as the new Israelites lost in the wilderness of Upper Canada. And yet they remained tethered to the old order by Yonge Street, a military road, and the road to market.[2]

This article is about the political implications of their egalitarian economic vision. The Children of Peace played a critical, though unrecognized role in the organization of both the democratic reform and an allied cooperative movement in Upper Canada. David Willson was a radical democrat who sought to protect the weak. The temple was built four square, symmetrical on each side, to symbolize the equality of all people who entered. The Children of Peace were avid supporters of newspaper publisher and reform leader William Lyon Mackenzie. Willson, and other members such as Samuel Hughes, were key organizers of the Canadian Alliance Society, the reform political organization. They were also central to the building of "radical hall," a meeting place for reformers in Toronto where they frequently held meetings for worship. There, according to the Tories, Willson preached of "the injustice practised towards the world by all those who possess an abundant share of the good things of life. That they are all usurpers and tyrants; that there ought neither to be masters nor servants; that all mankind are equal; and that it is the duty of the poor to pull down the rich."[3]

Given the general absence of effective democratic institutions in the colony, it is important to ask how democratic skills and values were fostered such that the reform movement could plausibly enlist public support in the face of widespread violent opposition. Why should more democ-

[2] Albert Schrauwers, *Awaiting the Millennium: The Children of Peace and the Village of Hope 1812-1889* (Toronto: University of Toronto Press, 1993), 108-129.

[3] D. Wilkie, *Sketches of a Summer Trip to New York and the Canadas* (Edinburgh, 1837), 203-205.

racy seem the answer to the colony's woes to men like David Willson and Samuel Hughes? In his sweeping study of deliberative democracy in Upper Canada, Jeffrey McNairn has drawn our attention to the role of voluntary associations of all types in the creation of a viable public sphere – the sphere of public discussion required for democratic debate and the formation of 'public opinion': "They brought people together to pursue common projects, instructing them in the public use of their reason." He points to the role of voluntary associations as "experiments in democratic sociability" in which

> Upper Canadians grew accustomed to coming together to further common goals; to working with others of different social, occupational, religious or national backgrounds; to devising and abiding by mutually agreed upon rules; to discussing topics of common concern; to speaking in front of others; to listening to others with opposing views; and to disagreeing without attacking the speaker, offending others, or trying to mandate uniformity. In voluntary associations people learned and practised the norms of reasoned discussion and mutual respect vital to sustained public deliberation.[4]

McNairn carefully documents the roles of a variety of these voluntary associations in the formation of a culture of "deliberative democracy", including literary clubs, reading rooms, Freemason lodges, Mechanics Institutes, agricultural societies, and benevolent associations.

McNairn has little to say, however, about the role of voluntary economic associations, thereby implicitly agreeing with Colin Read's assertion that "historians argue that shifts in Upper Canada's political culture stemmed from a deep structural change, the development of capitalism. Oddly, none really explore that key notion."[5] This article, in contrast, looks specifically at the role of one economic institution, the Farmers' Storehouse – and the religious group, the Children of Peace, that helped organize it – in fostering deliberative democracy in Upper Canada. The transition to a capitalist market economy in North America is too frequently viewed as the product of the entrepreneurial action of individuals. The corporate aspect of the economy remains relatively undocumented. But some companies, as collectivities of shareholders, were equally "experiments in democratic sociability." Joint stock companies like the Farmers' Storehouse played a critical role in fomenting the reform movement in the Home District of Upper Canada and in giving it its populist and co-operativist character.

In 1833, Patrick Shirreff, a Scots farmer, set out on a tour of North America with the aim of evaluating its prospects for emigrants, and more particularly, for his younger brother. He traveled widely within Upper Canada, including taking

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[4] Jeffrey L. McNairn *The Capacity to Judge: Public Opinion and Deliberative Democracy in Upper Canada 1791-1854* (Toronto: University of Toronto Press, 2000), 63.

[5] Colin Read, cited McNairn, *Capacity to Judge*, 16n; see also Jeffrey McNairn, "Why we need but don't have an Intellectial History of the British North American Economy," in Bélanger, Damien-Claude, Sophie Coupal and Michel Ducharme, eds. *Les idées en mouvement: perspectives en histoire intellectuelle et culturelle du Canada* (Quebec: Presses de l'Université Laval, 2004), 145-73.

A Quacker Schismatic, David Willson (1778-1866) formed the Children of Peace in 1812 and led them through much of the nineteenth century.

a side trip to Lake Simcoe, and the village of Hope where he visited the just completed temple of the Children of Peace.[6] Many early first hand accounts of the Children of Peace like his mention their cooperative marketing of wheat. In touring the temple with Willson, Shirreff showed him a copy of *Canada as it is* in which the village was described. The book's author, George Henry, had written, "David keeps the store: the general produce of the community is deposited with him, and is conveyed to York, for sale, regularly twice a-week; and he accounts to the different members for the amount of produce sent to market." What Henry and Shirreff took to be a distinctive aspect of the sect which set it off from its neighbours – cooperative marketing – was instead, part of a much wider cooperative movement in which the Children of Peace participated. In York, Henry had himself approvingly noted that:

> A large body of the farmers in Yonge-street, and in the townships in the vicinity of York, have adopted the plan of storing their own wheat; they have formed themselves into an association, and have built a very large storage at York, on the margin of the lake, where they store it in the winter, while the roads are good, and transport it down in the Spring, – thus securing to themselves the best prices. They have their secretary in York to see to the storage, and keep the account of deposits, &c[7]

The Children of Peace were shareholders and directors in this cooperative venture, the Farmers' Storehouse Company. The Farmers' Storehouse was one of those means by which the farmers of the Home District creatively sought to evade the problem of debt to merchants which deprived them of their economic and political freedoms. Although Willson made regular trips to York to deliver loads of wheat – and to preach – it was an elder in the group, Samuel Hughes, who was most active in the organization of the Farmer's Storehouse.

The joint stock cooperative ventures that elders in the sect like Hughes developed were a means of helping new farmers avoid dependence on the market so they could participate in community projects, such as the construction of the temple and the sect's meeting houses; the temple, in particular, then became a

[6] Patrick Shirreff, *A tour through North America: together with a comprehensive view of the Canadas and United States, as adapted for agricultural emigration* (Edinburgh: Oliver & Boyd, 1835), 106-16.

[7] George Henry, *The emigrant's guide; or, Canada as it is; comprising details relating to the domestic policy, commerce and agriculture, of the Upper and Lower Provinces, comprising matter of general information and interest, especially intended for the use of settlers and emigrants* (New York: Stodart, 1832), 103, 121-25.

symbol of "charity," the means by which they could resist the market, and the merchant's control. Due to the instability of the British market for wheat, young farmers could never be sure how much of a surplus would be needed to pay their debts. These young farmers were "poor community members" in two senses; they had the highest debts and were most in need of relief. And, since they emphasized their farm productivity, they participated less in "community building." The Children of Peace responded as a community to their debt crisis by prioritizing subsistence production on the one hand, and subsidizing the farm production of their younger members on the other. Their system of mutual aid was based on labour exchanges (work bees), cooperative marketing, a credit union, and for a short time, a land-sharing agreement. For those in immediate crisis, alms and a shelter for the homeless served as a stopgap. So successful was this cooperative regime of mutual aid, that by 1851, Hope was the most prosperous agricultural community in the province.[8]

Lest we interpret this "moral economy" as the product of a communal sect, a radical departure from the cultural and economic norm, I would like to underscore how their cooperative marketing was part of a larger social movement involving farmers from across the Home District as Shirreff had noted. The problem of debt was not just that of the Children of Peace. The Farmers' Storehouse Company was the first farmers' cooperative in Canada, a creative, and so far undocumented example of the kinds of resistance farmers offered to the economic and political exploitation of their day. This joint stock company was an "experiment in democratic sociability." It was a voluntary association organized according to democratic principles, and thus fostered the cultural and political values critical to the development of a viable democratic movement.

Here then, we trace the interconnections between the Farmers Storehouse and the reform movement in the 1830s in the Home District. These interconnections are people, men like David Willson, Joseph Shepard, and Samuel Hughes, who served on overlapping boards of management in economic, political and religious joint stock endeavors. They served as the glue for a widely disparate movement of religious dissenters, farmers, urban professionals and "mechanics." Hughes, for example, was an elder in the Children of Peace, the chairman of the Farmers' Storehouse, and the chair of most of the reform meetings in the northern half of the Home District. Joseph Shepard served much the same role in York township just north of Toronto. It is their overlapping participation in these multiple economic and political spheres which created a social movement, a wide cross section of society which came to tolerate differences in culture, religion and language in pursuit of common goals.

The leading figures in the Farmers' Storehouse were Joseph Shepard and the

[8] Albert Schrauwers, "The Spirit of Capitalism and the Collapse of Community: The Children of Peace in the Mid-Nineteenth Century" *Canadian Quaker History Journal* 63 (1998), 54-66.

Children of Peace. Shepard had a long and distinguished political history in York township. He had run for election in 1812, on a platform against the repeal of *Habeas Corpus*, which Lieut. Governor Brock had proposed to help deal with "disloyal" settlers during the war. He had sat on the four-member "central committee of the inhabitants of Upper Canada" that sent Robert Randall to London in April 1827, to convey their petitions against the Alien Bill, which would have stripped many of the American-born settlers of their citizenship. The Children of Peace had a long-standing connection with Shepard. He, with Seneca Ketchum and John Willson (the stepfather of the sect's founder, David Willson) were the trustees of a church built at York Mills on the joint stock (non-denominational) model. John Willson, "a person of considerable reading and somewhat democratic ideas,"[9] and Joseph Shepard, candidate in 1812 for the "democratic faction," ensured the Children of Peace had access to this church built by the people of the neighbourhood "as a place of worship [for] preachers of various denominations of Christians." This church was built in 1817 on a joint stock plan. It was a non-denominational neighbourhood place of worship owned and managed by its elected trustees, not the clergy of any particular denomination. Members need not share a creed. It was no doubt used by the Children of Peace soon thereafter, since a church built in Richmond Hill four years later on the same non-denominational joint stock plan specifically excluded the Roman Catholics and the Children of Peace.[10] William Lyon Mackenzie recorded his impressions of Willson preaching there in 1829 to an audience of two to three hundred.[11] The Rev. John Strachan complained in contrast, that he preached in the same building "once a month to their great annoyance."[12] Shepard's connection with the Children of Peace was later

The first meeting house of the Children of Peace.

[9] M. Audry Graham, *150 Years at St. John's, York Mills* (Toronto: General Publishing Co., 1966), 31.

[10] F.R. Berchem, *The Yonge Street Story (1793-1860)* (Toronto: McGraw-Hill Ryerson, 1977), 119.

[11] *Colonial Advocate*, 3 September 1829.

[12] Graham, *York Mills*, 30.

Temple of the Children of Peace seen here in 1861. This unique building expressed Willson's ideas through such architectural elements as its tiers, lighting, symmetry and pinnacles. Canadian Yearly Meeting Archives.

strengthened by their mutual participation in the Farmers' Storehouse.

In this article, I examine the relationship between Joseph Shepard and Samuel Hughes, the leaders of this farmers' co-operative, and the emergent radical reform movement as it came to be organized as the Canadian Alliance Society. As reformers were faced with mounting political violence after Mackenzie's expulsion from the Assembly, they sought to create a safe haven, "Shepard's Hall," where they could meet and organize in safety. The Children of Peace also preached in this hall on a regular basis. Their "preaching" however, had political overtones, and their economic experiment, a "credit union" created in 1832, served as a model emulated more broadly in the Canadian Alliance Society's first petition movement for a "provincial Loan Office." Shepard's Hall itself moved on a number of occasions; from the Old Court House to the new Market Buildings, to its final home in Turton's Building. Turton's building was lastly, also home to Mackenzie's newspaper, the *Constitution*, as well as to religious groups such as the Children of Peace. It is this overlap of political, economic, and religious activities which both marks the creativity, but also the complexity, of this tale of the emergence of a culture of democratic deliberation in a variety of joint stock companies in the decade before the rebellion.

The Farmers' Store House

The Farmers' Storehouse was organized just outside Toronto as an unincorporated joint stock company on 7 February 1824. In many ways it was similar to a large number of consumer-owned community flour and bread societies which flourished in England from 1759 to the 1820s. Like these English exemples, the Farmers' Storehouse was organized on a joint stock basis to engage in trade on behalf of the poor; they were early co-operatives. The Farmer's Storehouse was organized during one of the periodic downturns in the wheat trade, when colonial exports were barred from English markets. These cooperatives are an example of the developing "moral economies" which came to fruition in the Owenite socialist movement

in the 1830s.[13] Whereas most "social and economic historians have tended to emphasize the role of riot and protest in asserting the older values of the 'moral economy' against the capitalist market" these joint stock companies represent "non-conflict based approaches [that] would not necessarily, of course, have been reported."[14] These consumer co-operatives offered the poor unadulterated bread at reduced prices. They were able do so through their large scale and technically advanced milling operations. Although the Farmers' Storehouse was similar in many ways to these consumer co-operatives, it also differed by serving as a producers' co-operative. It ensured that farmers obtained the best price for their wheat and offered them merchandise at a reduced rate in return.

Joint stock companies were little more than extensive partnerships under common law, although English legislation had limited these to a maximum of six partners. Without incorporation, the company was not considered a "separate personality." It could not hold property. The property was held by trustees, who usually had to provide a bond or security. Without incorporation, the company could neither sue nor be sued at law. And without incorporation, shareholders were personally responsible for the debts to the company to the full extent of their personal property; shareholders were not protected by limited liability. There were, then, significant legal hurdles that made the joint stock company an unwieldy form of partnership.[15] It is important, however, to underscore the broad definition of the ways in which joint stock companies were "economic"; although some like the Farmers' Storehouse were formed for the purpose of for-profit trade, others were simply a way of controlling access to forms of common property such as a school or church.

The Farmers' Storehouse was also political in a number of senses. As its constitution shows, it was a formal "mini-parliament," with elected representatives who themselves took decisions by majority vote. But the Farmers' Storehouse was also political in a larger sense, intimately connected with the first. To achieve it ends it also had to engage in the process of petitioning both administration and the elected assembly for the land on which to build their storehouse. Petitioning was the dominant form of popular political activity of the period.[16] This petitioning inevitably involved the organizers of the

[13] R.G. Garnett, *Co-operation and the Owenite socialist communities in Britain, 1825-45*, (Manchester: Manchester University Press, 1972), 41-64; John Harrison, *Quest for the New Moral World: Robert Owen and the Owenites in Britain and America* (New York: Charles Scribner's Sons, 1969), 197-216.

[14] Joshua Bamfield, "Consumer-Owned Community Flour and Bread Societies in the Eighteenth and Early Nineteenth Centuries" *Business History* 40:4 (1998), 22.

[15] See Frederick H. Armstrong, *Handbook of Upper Canadian Chronology*, rev. ed. (Toronto: Dundurn Press, 1985), Part VII, for a list of the joint stock companies incorporated during this period in Upper Canada.

[16] Carol Wilton, *Popular politics and political culture in Upper Canada, 1800-1850* (Kingston/Montreal: McGill-Queen's University Press, 2000), 3-20.

company in evolving political alliances. The company soon became one of the crucibles within which the political reform movement took shape. The company, in fact, became a critical means by which aspiring politicians achieved local prominence, and it reinforced the democratic skills of those politicians needed to operate such a concern. The reform movement's local leadership, including men like Joseph Shepard, and Samuel Hughes, were drawn from the company, and, in turn, they introduced the economic concerns of the company and of farmers in general into reform politics in the House of Assembly – a formative influence not generally recognized.

The Farmers' Storehouse stood at the centre of a broad economic and political movement which, in its essentials, was not greatly different from much later cooperative movements such as the United Farmers of Alberta in the early twentieth century. The United Farmers transformed the political landscape of the prairies:

> Alberta radicals, drawing on British and North American radical traditions, castigated monopolies and opposed 'special privileges' for corporations. Following the labour theory of value – that labour creates and should retain all value – they saw themselves and workers as fellow producers. This belief led them to call for a farmer-labour political alliance to implement their program of radical monetary reform and state ownership to redistribute wealth.[17]

Here, we examine how these same programs and values motivated the farmers of the Home district to organize, economically as the Farmers' Storehouse, and politically as the Canadian Alliance Society, Upper Canada reformers' first attempt to form a political party.

The constitution of the Farmers' Storehouse established the share price at £2 10*s*. and limited the number of shares of any one partner to a maximum of twenty, ensuring a broad and equitable ownership of the concern.[18] These shareholders were to elect annually a board of directors of five or more to manage the company. The board, in turn, was to hire a storekeeper who was to provide a bond equal to the value of the property entrusted to him. This storekeeper was to conduct the general business of the company, taking the farmers' wheat, transporting it to Montreal, and purchasing goods for sale at the company store. It was in many ways a retail concern like so many others in York. Importantly, the members of the company were allowed to take goods and cash to the value of their stock from the store (much like the shareholders of the Bank of Upper Canada could borrow against the security of their stock). The company thus became a loan office of first resort for the farmers of the district who needed to borrow small sums. It is this telling innovation

[17] Bradford James Rennie, *The Rise of Agrarian Democracy: The United Farmers and Farm Women of Alberta 1909-1921* (Toronto: University of Toronto Press, 2000), 10.

[18] John Ross Robertson, *Robertson's Landmarks of Toronto: a collection of historical sketches of the old town of York from 1792 until 1833, and of Toronto from 1834 to 1908 : also, three hundred and thirty engravings of places and scenes in Toronto or in connection with the city*. Vol. 1, (Toronto: J.R. Robertson, 1908), 218-19.

which in large part explains the draw of the company. Not only did members of the concern earn their own profits from the wheat trade, circumventing the York merchants to whom they would otherwise fall in debt, but they also, in fact, established a bank of their own without encountering the monopolistic risks of the Bank of Upper Canada. This aspect of the concern became much more pronounced as the company developed over the next decade.

The first board of directors, elected in June 1824, were Ely and George Playter, Joseph Pearson, Silas Fletcher, Jacob Wintersteen, and Joseph Shepard. In January, 1825, they added Abraham Stouffer, James Farr and George W. Port.[19] Ely Playter, the chair, had been elected a member of the House of Assembly for York-Simcoe in 1824. His brother George was the sheriff's deputy. They were Loyalists, from one of the oldest families in Toronto. By 1824, Ely was operating George's sawmill on Yonge Street just north of Finch Ave.[20] Joseph Shepard also operated a saw and grist mill on Yonge, just north of Sheppard Avenue. James Farr leased the government mill on the west side of the Humber at Weston. Abraham Stouffer operated a grist mill in the community now named after him on the border of Markham and Whitchurch townships. Pearson and Fletcher were substantial farmers from the north end of the district, in Whitchurch and East Gwillimbury townships. They were all from among the earliest of immigrant families from across the settled areas of York's hinterland. None came from York itself. Significantly, they were all involved to some extent in reform politics. Shepard, for example, had unsuccessfully contested the same seat as Playter several sessions before, in 1812, representing the "democratic faction."[21] Silas Fletcher was to be one of the principle organizers of the 1837 Rebellion.

Ely and George Playter were appointed to petition the Lieut. Governor for a "water lot" on the beach on which to build the storehouse. They received the lot where the St. Lawrence market building now stands (and immediately south of the original market buildings). This land had been declared public beachfront in 1818, but the Farmers' Storehouse was specifically exempted "this being for a public purpose."[22] There they built a warehouse 100 feet long by 20 ft. wide, and 20 ft. high. However, Ely Playter fled the country after being charged with forgery in the beginning of 1826, and the early, quick start was lost. The Farmers' Store did not really seem to take off until 1827, when they hired John Goessman as their clerk. Goessman was a problematic candidate for the job, and

[19] *Ibid*.

[20] Patricia Hart, *Pioneering in North York: A history of the Borough* (Toronto: General Publishing Co., 1968), 68.

[21] *Dictionary of Canadian Biography* (hereafter cited as *DCB*), "Joseph Shepard," quoting the winning candidate, Thomas Ridout.

[22] Archives of Ontario (herearfter cited as AO), Upper Canada Land Petitions, P14/39 20 October, 1824.

quickly at odds with the political leanings of the company's new president, Joseph Shepard. Goessman was born in 1786 in Hanover, Germany, through which he claimed British citizenship; King George IV being monarch of both kingdoms. After studying surveying and drafting at the military academy there, he immigrated to Upper Canada in 1819, and after a probationary period, was licensed as a deputy surveyor in 1821. He conducted surveys for both the government and the Canada Company thereafter. In 1824, he was appointed the superintendent of highways of the Home District, a job he lost less than a year later due to chronic alcoholism. He was also appointed an emigration agent for German-speaking settlers around 1828.[23] Although Goessman had no business experience, his role as German Agent made him a natural intermediary with the largely German settlers of Markham township. The actual business of the Farmer's Store was left in Goessman's hands.

The way in which the company served as an incubator for aspiring politicans can be clearly seen in the political activity of John Goessman, who sought to transform this intermediary role as manager of the company into a political one. His aspirations had begun before he became the company's clerk, in March 1824, when he declared himself a candidate for the riding of York-Simcoe, against Ely Playter (the eventual winner), despite never having seen "a hustings in my life, either as Candidate, Voter, or Spectator." He resigned on the second day of polling, after receiving only two votes to Playter's 126. It seems clear that Playter's early role in the Farmer's Storehouse was key to his electoral victory. After Playter fled in 1826, Goessman sought to repeat his formula for electoral success in 1828.[24] Goessman again proposed himself a candidate, citing his role in the Farmer's Store: "When I received the books of the Farmers Store House that institution was at the brink of dissolution, and now after one year current its prospects are undoubtedly favorable." Significantly, Goessman's questionable candidacy did not gain the support of Joseph Shepard, who nominated William Lyon Mackenzie instead.[25] Mackenzie's subsequent win (and Goessman's bitter loss) resulted in a long-term tension between the board of the Farmers' Store, and Goessman, which ultimately led to his ouster, and the transfer of management to the Children of Peace in the village of Hope.

After the 1828 election, the board of the Farmers Storehouse decided to petition the House of Assembly for incorporation in December "to enable them to apply for and receive His Majesty's Patent for the Water Lot depending thereon.[26] They called a shareholder's meeting on 2 February 1829, and a week later Charles Fothergill presented the petition of "Joseph Shepard and 36 others" to

[23] *DCB*, "John Goessman."

[24] *Upper Canada Gazette & Weekly Register*, 25 March, 15 July 1824; *Colonial Advocate*, 3 April 1828.

[25] *Constitution*, 4 January 1837.

[26] *Colonial Advocate*, 11 December 1828.

the Assembly.[27] With at least thirty-six shareholders, the Farmer's Store was of the same size as the Bank of Upper Canada. A select committee of the House was formed and reported a bill on the third of March. It did not receive second reading in that session, and Fothergill reintroduced the bill in the next session on 11 January 1830. It passed third reading on 26 January, and was named "An Act to incorporate certain persons by the style and title of the 'Associated Farmers' Company of the Home District and Parts Adjacent." The bill was then referred to the Legislative Council, where it was disallowed with no reason given.[28]

Undaunted, Goessman petitioned again in the next session of the Assembly. The petition was again referred to a select committee, this time chaired by William B. Jarvis, Home District Sheriff, and newly elected member for the town of York.[29] Although Jarvis claimed on 20 January 1831 that he had a bill similar to the one passed in the previous session ready for the House to consider, by the middle of February Goessman advertized,

> The bill of incorporation of the Farmers' Store House Company probably will not pass the Lower House this session. The reason is such, that I hesitate not to describe it here. The Chairman, a Town member, of course for the merchants, has not yet presented the Bill. But these circumstances by no means can obstruct the steady progress of your concern, since you are sure of the especial protection of the Lieutenant Governor.[30]

Goessman's faith in the Lieut. Governor's intervention was misfounded; the bill was never read.

Their third attempt at incorporation stymied, the board of directors adopted a new tack, advertizing in July 1831 (for a full year) that in the next session, they would petition for "a charter for a Farmer's Store House Bank, &c."[31] This apparently incongruous change reflects both the original purpose of the Farmers' Store, as well as the radically different nature of banking in that era. By allowing its members to borrow against their stock in the same way as the Bank of Upper Canada, the Farmers' Store served as the creditor of choice for farmers precisely because it loaned money or goods against payment in flour, for which they received a higher price. And as made clear by the Select Committee on the State of the Currency chaired by Mackenzie (and whose report he published in the *Colonial Advocate*), the "Scottish System" of joint stock banking offered many advantages over limited liability chartered monopolies on the English model such as the Bank of Upper Canada.[32] Joint stock banks were not protected by limited liability, and their shareholder's property could be taken to pay bank debts. These banks therefore

[27] *Journal*, 1829, 32-33, 46.
[28] *Journal*, 1830, 13, 25, 27; *Christian Guardian*, 13 March 1830.
[29] *Journal*, 1831, 4, 9, 16.
[30] *Canadian Freeman*, 17 February 1831.
[31] *Canadian Freeman*, 18 July 1831.
[32] *Colonial Advocate*, 20, 27 May, 3 June 1830.

tended to follow hard currency policies, and ensured they had capital reserves to back up their bank notes. It was, then, a relatively small step for the Farmers' Store to recast itself as a bank.

However, no petition was ever presented, due to the expulsion of Mackenzie from the Assembly on 12 December. A new election was called for York County on 2 January 1832. The annual meeting of the Farmers' Store had been scheduled for 3 January.[33] The shareholders' meeting was thus postponed until 7 February – after that session of the House was over. Although Mackenzie was overwhelmingly re-elected, the Tory dominated Assembly again ejected him and called for the third by-election of that seat on 30 January. On the 19th, a large public meeting was held in York, at which Joseph Shepard was appointed chair of an eighty-five member committee to organize a provincial petition to the British House of Commons. Shepard also penned the draft address and petition. The meeting appointed Mackenzie their agent, and took up a subscription to defray the expenses of his trip to London.[34]

Given Mackenzie's plans to travel to London, his by-election reelection would have seemed moot. It was at this point that Goessman again thrust himself into the electoral fray and offered himself up as a candidate in place of Mackenzie. In his address to the electors of York County, Goessman singled out the German settlers, reminding them they were

> *Free and Independent* – a term under which you have so often been addressed by gentlemen learned at least to *confound*, if not to *expound* that which they call law, and wherewith they have so often flagellated you by merchants, who sell you every article at an extravagant price, and tell you it is cheap.[35]

He again offered his candidacy on the basis of the Farmers' Store house, which had "cost [him] an enormous trouble and expense," and his post as German Agent. He received the endorsement of Francis Collins, of the *Canadian Freeman*, who was "glad to see him coming forward as a sort of mediator to save the character of the Dutch farmers of this County, who have never meddled in politics until dragged into it by little McKenzie's duplicity." Goessman had little other support, however, and did not even show up at the hustings. Mackenzie was again nominated by Joseph Shepard, and again won handily, despite his ongoing preparations to travel to London.

An irrevocable gulf had now opened between Goessman and Shepard. The postponed shareholders' meeting was finally held in the village of Hope in East Gwillimbury on 14 April 1832. There, Goessman charged Shepard and other directors with embezzlement, claiming that he had submitted the case to an independent arbitrator, James Miles of Richmond Hill, who had decided in his favour.[36] There is, of course, no way of establishing if or why Shepard had embez-

[33] *Canadian Freeman*, 12 December 1831, 5 January 1832.
[34] *Canadian Freeman*, 2 February1832.
[35] *Canadian Freeman*, 26 January 1832.
[36] *Canadian Freeman*, 17 May 1832.

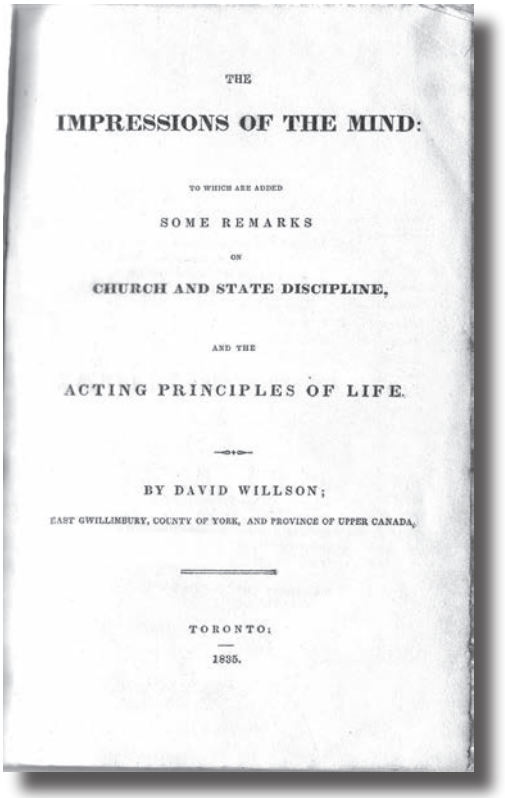
zled the money; one can only point to a series of plausible coincidences. Mackenzie had just been appointed the agent of the "Central Committee of the Friends of Civil and Religious Liberty," which Joseph Shepard chaired. Given Shepard's heavy involvement in organizing Mackenzie's journey, Goessman's bitterness at his continued electoral losses to Mackenzie (in spite of his later claim to "not meddle with politicks"[37]), and the pressing need for a quick and large source of ready cash, it is easy to imagine that Shepard might have used funds from the Farmers' Store to pay for the trip or fund the activities of the Central Committee. Whether this was "embezzlement" (a word Goessman bandied about quite loosely) or a loan against his stock will never be known.

Goessman continued to make accusations against Shepard throughout 1833. Shepard was, for example, a key player in the formation of the "Central Political Union," the petitioning organization which grew out of the Central Committee in January 1833, in Mackenzie's absence. In a lengthy, tortured, "memorandum" in the *Canadian Freeman*, Goessman attacked this reform organization for "I. Its Menacing Attitude, II. Its Tyrannical Despotism, III. Its Hostile Disposition."[38] He referred to its membership dues as "embezzlement" and cited

> an instance of a subsigny respecting the last winters insurgency, which came under my observations, and which I think was somewhat about £15, and to my suspicion has been embezzled. If any should expect of me to make any reference in respect to the farmers store, I beg leave to state that in my humble opinion it does not belong to a memorandum of this kind.

Shortly after Goessman published his "exposition" in the *Canadian Freeman*, he called a second meeting at Hope to "depose $500 at a proper treasurer" and then authorize the issuance of "promissory printed drafts" or bank notes on that account, putting the Farmers' Storehouse Bank plan into action even without legislated incorporation. The same meeting, he declared, would also discuss his accusations against Shepard.[39] The charges were repeated in an "exposition" in September 1833, where he engaged in rather creative accounting to publicly critique that year's Farmers' Store dividend of $275 on $3000 share capital (or, approximately $1.15 per share, a 9% return on capital).[40] That the meeting was again called for Hope, and that it proposed to issue promissory notes at that particular time, was not coincidental. It marks a shift in the leadership of the Farmers' Store from Joseph Shepard and John Goessman to Samuel Hughes, an elder of the Children of Peace, and another Central Committee/Political Union organizer. The controversial and erratic Goessman now disappears from the picture. The *Colonial Advocate* sarcastically wrote the next month, "A report has been very generally circulated that Mr. Goessman the

[37] *Canadian Freeman*, 17 May 1832.
[38] *Canadian Freeman*, 7 March 1833.
[39] *Canadian Freeman*, 7 March 1833.
[40] *Canadian Freeman*, 5 September 133.



THE

IMPRESSIONS OF THE MIND:

TO WHICH ARE ADDED

SOME REMARKS

ON

CHURCH AND STATE DISCIPLINE,

AND THE

ACTING PRINCIPLES OF LIFE.

BY DAVID WILLSON;

EAST GWILLIMBURY, COUNTY OF YORK, AND PROVINCE OF UPPER CANADA.

TORONTO:

1835.

Frontispiece of David Willson's book, "Impressions of the Mind", 1835.

Deputy Surveyor has been torn in pieces by the wolves."[41] The wolves, apparently, were his employers.

The plan Goessman proposed was similar to a credit union implemented by the Children of Peace the year before, at the time they completed the temple and organized themselves as a joint stock company (rather than a religious body). Their Charity Fund, composed of alms collected in the newly built temple, had rapidly expanded beyond their charitable needs, making "money useless like the misers store, to the dissatisfaction of the brethren." Just as the Farmers' Store issued loans against share capital to its members, some of the elders proposed that the surplus in the charity fund be loaned at interest. They appointed John Doan and Murdoch McLeod on 3 November 1832 to give security and serve as loan officers.[42] Since they controlled the loan process themselves, they could ensure that terms were manageable, that no one was denied credit, and that the repayment of the principal remained flexible in difficult times. As a joint stock "bank" they certainly could not legally sue. The only existing records for the Charity Fund begin in 1845, at which time the fund was worth £226 4*s* 5*d* and of which, £132 12*s*11*d* had been loaned out.[43] Most of these loans were for sums less than £25. Of sixty-one loans made between 1845 and 1854, the average was £19 5*s* – or about the amount of the average debt of those sued in the Home District Court in 1830. It is no doubt this model which led the Farmers' Store to propose a similar "bank" at the annual meeting held in Hope in 1833.

Shepard's Hall

Mackenzie returned to York from his London expidition in the last week of August, 1833, to find his appeals to the British Parliament had been ultimately ineffective. A meeting of the Central

[41] *Colonial Advocate*, 5 October1833.

[42] AO Ms 733, series A, vol. 2, 7ff.

[43] Sharon Temple Archives, 973.33.2.

Committee was immediately called for Elliot's Hotel for the 2nd of September to plan on future directions in the wake of their disappointment.[44] At this critical meeting, the Central Committee hammered out a plan of action; they called, on the one hand, for the construction of a meeting hall where reformers could meet without threat of violence – a building they called "Shepard's Hall" in honour of Joseph Shepard[45] On the other hand, they planned for a "Grand Convention of Delegates" from the Home District to select reform candidates, and a uniform platform, for the ensuing elections. The organizers of the Farmers' Store were to play critical roles in both the organization of the Grand Convention and the construction of Shepard's Hall.

The members of the Central Committee announced their plan to build a meeting hall in the next issue of the *Colonial Advocate*, on 7 September, two days after the libelous attack of John Goessman on Joseph Shepard's "embezzlement" from the Farmers' Storehouse: "As a token of the high sense of approbation with which the principles and public conduct of that veteran friend of reform, Mr. Joseph Shepard, are regarded, it is proposed to honour a building intended as an aid to civil and religious freedom by calling it by his name." The proposed "Shepard's Hall" was to be forty by fifty feet in size, and able to seat between seven and eight hundred people. The building would be used for two purposes: first, "on Sundays, as a place of worship by the Quakers, Mennonists, Children of Peace, or any other religious denomination, from time to time, as occasion may require." And second, "as a hall for holding political meetings of the people of this town, county or district, and for the use of a Constitutional Association, on week days, at the discretion of a majority of the trustees." Subscriptions could be left with James Lesslie, Malcolm McLellan, William Arthurs, Monis Lawrence, Thomas Elliot, William Jackes and William Lyon Mackenzie, a list probably coincident with the seven unnamed trustees.[46] That the proposed building was intended to further both "civil and religious freedom" is unsurprising given the roots of the Central Committee in the Friends of Civil and Religious Liberty. Shepard's Hall was, in other words, just another joint stock company like the Farmers' Store House, the Children of Peace's credit union, or the non-denominational church at York Mills; the same corporate form could be used for religious, political and economic purposes.

Further details of the proposed building, and its purpose, were published the next month after a public meeting held in York had solicited £150 in subscriptions. The trustees now proposed something more grandiose yet, "a brick building 40 feet by 60, capable, with the galleries and platform, of containing 1500 persons... for use this fall" Besides the political and religious usages just described, the

[44] *Colonial Advocate*, 29 August 1833.

[45] *Colonial Advocate*, 7 September 1833.

[46] *Colonial Advocate*, 3 October 1833.

building would also be used "as a Hall for scientific lectures and the Mechanics Institute." The article also clarified the impetus behind the building's construction. The electoral violence of 23 March 1832 had resulted in the Tory dominated House attempting to pass "laws to declare riot a Capital felony punishable with a violent death, and defining what riot is." The week before, the "Gazette of the Political Union" (published in the *Colonial Advocate*) had reviewed the suspension of *habeas corpus* in 1815, and compared this declaration of martial law to similar calls in the House in 1832. It also reviewed the "gagging bill" or Sedition Act of 1804, under which Robert Gourlay had been prosecuted for convening public meetings. That Act was repealed only in 1829.[47] Knowing the biases of the magistrates in applying such laws, the reformers proposed to avoid the potential for arrest or violence in public meetings by building their own hall

> in which those who are, in truth and sincerity, the friends of civil and religious liberty, may meet and consult together, and inform each other upon matters of general interest. If following the example of Christian churches, those only were asked or admitted into a political association who professed to agree with it on fundamental principles of government, such disturbances as once disgraced York could never again occur.

This step away from general public meetings to private partisan gatherings gave the reformers greater scope to hammer out a consistent district, and province wide political platform against which candidates could be evaluated. This was the aim of the Grand Convention to take place in this hall the following February.

In a meeting in the Old Court House a few days later, on 6 October 1833, over $1,000 was subscribed, and a site selected for the building.[48] The *Canadian Freeman*, considering the project little but a fraud to dupe a credulous public, suggested that this site was "on the premises of King Jesse [Ketchum], just in the spot where the Yankees hid the property which was stolen from the British Commis't stores after the battle of York. It could not, we think, be erected upon a more fit and becoming foundation.[49] By November, Mackenzie announced that $1,500 had been subscribed but that the proposed building would not be started until the following spring.[50] The builder of the Hall was undoubtedly Joseph Turton, a vice president of the Central Political Union, who advertized the construction of a building, forty by sixty feet, on the north east corner of King and York Street at this time.[51] While Shepard's Hall was under construction, the reformers leased the old Court House on Richmond St, just east of Yonge.

A small notice in the *Advocate* of 17 October, announced that the Old Court House, the temporary "Shepard's hall,"

[47] *Colonial Advocate*, 19 September 1833.
[48] *Colonial Advocate*, 10 October 1833.
[49] *Canadian Freeman*, 17 October 1833.
[50] *Advocate*, 7 November 1833.
[51] *Patriot*, 8 November 1833.

could now comfortably seat 400 people. And in the same issue, the Children of Peace announced they would hold a meeting for worship there the next Sunday, ironically noting that this "was the Hall in which, for many years, judges judged and Doctor Strachan preached extempore or presbyterian sermons." This sense of having reclaimed a public space from the legal and religious systems that oppressed them added a sense of triumphalism to the project.[52] The Children of Peace collectively declared in the *Advocate* soon thereafter, that "we are ever ready to stand forth for our constitutional rights as having part in the care of the province, and to use our humble exertions to appoint just men to government, and without an influenced vote choose for ourselves who shall rule over us.[53] This was followed in December by an announcement by David Willson, leader of the Children of Peace, that he would,

> by permission of the peaceable inhabitants of York, appoint a Meeting in the Old Court House, at one o'clock on Saturday the 14th inst. for the purpose of promoting Civil and Religious Government, to which Ministers of Law and Gospel are respectfully invited, with other civil inhabitants of York, for the solemn purpose of correcting errors, enlightening the mind, and giving speech to the dumb, with every other good purpose that time and opportunity will afford.[54]

This meeting was timed two days before the by-election for Mackenzie's riding in York County on the 16th of December.

The "Grand Procession of the Children of Peace" and the meeting in Shepard's Hall that followed were so well attended, that "every corner, nook, and space of the court house and avenues leading to it were filled." Mackenzie, with rare humility, reported that

> Mr. Willson then delivered a sensible and well-connected address upon the state of the colony and the duty of a Christian people to guard their political privileges... Mr. Willson was loudly and repeatedly cheered. Mr. Mackenzie also spoke for some time, but he was very dull and tedious, more so then we ever saw him before.

In the same issue of the *Advocate*, Mackenzie also reprinted a list of the Children of Peace's contributions towards his expenses for the London voyage; a list which included three women.[55] As Mackenzie was to note early the next year, "since ever he had known them they had been on the side of the yeomanry – they had always attended the elections at their own cost, had always voted right, had signed liberal petitions and had supported them with their purses.[56] Given the general fear within reform circles of the day, the Children of Peace collectively stand out as courageous advocates for Mackenzie.

The Children of Peace continued to share the old Court House with the Toronto reformers for the rest of 1834. It was here that David Wilkie, a British

[52] *Colonial Advocate*, 17 October 1833.

[53] *Advocate*, 5 December 1833.

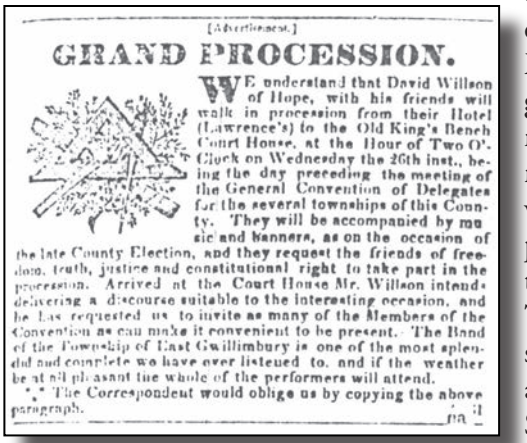
[54] *Advocate*, 14 December1833.

[55] *Advocate*, 21 December1833. See *Canadian Correspondent*, 21 December 1833 for a copy of Willson's political discourse.

[56] *Advocate*, 29 May 1834.

traveler, came across them: "the place was nearly filled when I entered, apparently with servant-girls, working-lads, and apprentice-boys about town." Wilkie found little to laud in Willson's sermon:

> the burden of his discourse seemed to be the injustice practised towards the world by all those who possess an abundant share of the good things of life. That they are all usurpers and tyrants; that there ought neither to be masters nor servants; that all mankind are equal; and that it is the duty of the poor to pull down the rich.[57]


[Advertisement.]

GRAND PROCESSION.

WE understand that David Willson of Hope, with his friends will walk in procession from their Hotel (Lawrence's) to the Old King's Bench Court House, at the Hour of Two O'Clock on Wednesday the 26th inst., being the day preceding the meeting of the General Convention of Delegates for the several townships of this County. They will be accompanied by music and banners, as on the occasion of the late County Election, and they request the friends of freedom, truth, justice and constitutional right to take part in the procession. Arrived at the Court House Mr. Willson intends delivering a discourse suitable to the interesting occasion, and he has requested us to invite as many of the Members of the Convention as can make it convenient to be present. The Band of the Township of East Gwillimbury is one of the most splendid and complete we have ever listened to, and if the weather be at all pleasant the whole of the performers will attend.

*** The Correspondent would oblige us by copying the above paragraph.

Ad for the "Grand Procession," 1833

Wilkie was dismissive of the message: the "rambling rhapsody... could not have drawn its perverted spirit from any part of the apostle's inspired writings." But he was not far off in his description of the content. Willson was, at this time, composing a book, "A Friend to Britain," and in an entry dated 12 December, a few days before the "Grand Procession" to the old Court House, he wrote: "The poor are rising and the mountains will do well to bend, or be assured they will be overthrown, not by revolt, but by the power of reason, the principles of truth and justice – the issues of an understanding mind.[58]

The Grand Convention of Delegates

At the same time as Shepard's Hall was being touted in the *Colonial Advocate*, the reformers set about organizing a "grand convention" to nominate reform candidates in the ensuing elections. Mackenzie put together "A New Almanack for the Canadian True Blues, with which is incorporated the Constitutional Reformer's Text Book," ostensibly edited by his alter-ego, Patrick Swift.[59] The pamphlet appeared early in October, and was in its second edition by the end of the month. Buried within this twenty-four page pamphlet was a single page in small, dense type, obviously originally set as a handbill which had circulated much earlier. The handbill called for the establishment of a regular system of nominations for political candidates, as was practiced in the United States, and by the Catholic Association of Ireland, through which Daniel O'Connell had promoted the Catholic Emancipation Act of 1829. The handbill called on the reformers of each town and township to call a meeting to select three

[57] D. Wilkie, *Sketches of a Summer Trip to New York and the Canadas* (Edinburgh, 1837), 203-5.

[58] David Willson, *Impressions of the Mind* (Toronto, 1835), 290.

[59] Patrick Swift, *A New Almanack for the Canadian true blues with which is incorporated the Constitutional Reformer's text book for...* (York: Printed and published by P. Baxter, Colonial Advocate, 1833).

delegates to attend a county convention in the Old Court House to nominate appropriate candidates for the next election, and to establish a common platform.

Although the handbill was signed "Patrick Swift," David Willson was later to claim that the idea of the convention had been his (a claim not contradicted by Mackenzie who published it).[60] Willson offered further fatherly advice on how to conduct such a new and innovative institution in the *Advocate*, emphasizing the importance of establishing a permanent and regular convention. Willson's claim is substantiated by an earlier report of a public meeting in Newmarket called on 5 June 1833 (before Mackenzie had returned from England), to establish a second branch of the Central Political Union despite Mackenzie's request that the unions be disbanded. The meeting was called for the townships of Whitchurch, East Gwillimbury and Brock, the newly established Fourth Riding of the County of York.[61] Samuel Hughes chaired this meeting, and William Reid was secretary; both were elders of the Children of Peace. This meeting, on a motion from Hughes, established "Committees of Vigilance" for each township in the riding, "to secure the return of an independent Member to the ensuing Parliament.[62] The use of committees of reformers to nominate candidates, rather than nonpartisan public meetings, was innovative, and led in short order to the proposal for a district-wide convention. These committee members met in Hope the next month to elect an executive for the riding as a whole, and to act in unison with the York Central Committee. This ten-member executive contained five members of the Children of Peace. Samuel Hughes was unanimously elected president, and William Reid, secretary. Importantly, they set quorum at any five members including the president.[63] The Children of Peace thus dominated the nomination process for the riding in which Mackenzie's brother-in-law, John MacIntosh was selected.

The Grand Convention was little more than a centralization of the local process for nominating candidates suggested by Hughes. Local delegates were to be chosen to attend the Convention and select candidates, who would then be confirmed by public meetings in their local constituencies. Only the delegates from within a riding played a role in selecting a candidate for that riding at the convention, and their selection required local public meetings to confirm the choice. Given the continued emphasis on local control of the nomination process, it is not unreasonable to wonder about the need for a central meeting, or convention. The emphasis on local control of its representative was balanced, however, by the collective process of defining a platform to which the local candidates had to agree. It is thus within this con-

[60] *Advocate*, 20 February 1834.

[61] Established in February 1833.

[62] *Colonial Advocate*, 13 June 1833.

[63] *Colonial Advocate*, 18 July 1833.

vention that we see the germs of a reform "party," a "permanent convention."

The first of the township meetings to report was East Gwillimbury, which met in the village of Hope on 30 November; the early participation of the Children of Peace certainly adds credence to Willson's claim to have been the convention's initiator. This was followed by Albion township, which held a meeting on 9 December,[64] and King township on the 14th.[65] No further public meetings were called until the handbill from "A New Almanack for the Canadian True Blues" was reprinted in the *Advocate* on 14 December, a few days before Mackenzie's last ejection from the House of Assembly. In a public meeting held at the hustings just after the election, a series of resolutions were passed, one of which was to continue the Central Committee appointed on 19 January 1832, with the aim of promoting the district and provincial conventions. Despite continuing fears of violence, Mackenzie's expulsion seemed to have galvanized public support, and more township meetings quickly followed to confirm these resolutions, select delegates for the convention, and prepare supportive addresses to Mackenzie.

The convention was convened for 27 February 1834. On the 20th, the *Advocate* published a letter from Willson addressed to the delegates in which he offered advice on its future direction. He strongly advocated for a provincial convention to follow. He also "pray[ed] for a standing convention," a party organization, so that they could

> do all your business with closed doors until your plans are well concerted, and then bring them to the light, far and wide as your care extends. In so doing, you will hide yourself from the battle till you are armed, and save your heads from public censure, and your weakness from the archers eye.[66]

The day before the convention, the Children of Peace again held a "Grand Procession" to the old Court House: "They will be accompanied by music and banners, as on the occasion of the late County election, and they request the friends of freedom, truth, justice and constitutional right to take part in the procession." There, David Willson again "addressed the meeting with great force and effect.[67]

The members of the convention were not, however, so easily swayed by Willson's call for a "permanent convention." After the delegates had selected their candidates and prepared a ten point platform to which those candidates had to pledge themselves, Samuel Hughes "proposed that the convention should resolve to continue its sittings from time to time during the continuance of the next ensuing parliament, and proposed a Constitution for its adoption." Although the original call for the convention had emphasized that once assembled, its members should assume the responsibility of nominating an executive to reconvene the convention for the next year, a ma-

[64] *Advocate*, 14 December 1833.
[65] *Advocate*, 21 December 1833.
[66] *Advocate*, 20 February 1834.
[67] *Advocate*, 20, 27 February 1834.

jority of the delegates reacted negatively to Hughes' proposed constitution, because they "had not been appointed for any such purpose, and that their power would cease immediately after the next general election.[68]

The main purpose of the convention had been to select four candidates for the four ridings of York County. The delegates from each riding absented themselves from the convention to settle on a candidate, which was then confirmed by the convention as a whole. The delegates from the first riding (York, Etobicoke, Vaughan and King townships) nominated Joseph Shepard, who declined on account of age; and then David Gibson, a surveyor, who was also appointed chairman of the York Constitutional Tract Society. The second riding (Caledon, Chinguacousy, Toronto, Toronto Gore and Albion townships) nominated Mackenzie himself. The third riding (Scarborough, Markham, Pickering, and Whitby townships) nominated Dr. Thomas David Morrison, the corresponding secretary of the Upper Canada Central Political Union, and of the Central Committee. The fourth riding (East and North Gwillimbury, Scott, Georgina, Brock, Reach, Whitchurch and Uxbridge townships) nominated John MacIntosh, Mackenzie's brother-in-law, and the chairman of the Central Committee. These four candidates were all from within the inner coterie of the Central Committee.

The remainder of the year was spent preparing for the ensuing elections in October. Within days of the convention, Willson enjoined the Central Committee to "count the cost" and begin the process of courting public support for the candidates: "your whole strength lieth in a union of sentiment," he argued, so "let us obtain a universal concurrence in all things we do as much as possible. If we offend the voters, the strength, pride and glory of the convention is lost." He added that he would "use my small endeavors to promote those you have appointed.[69] When a public meeting was held in Markham to confirm Dr. Morrison's candidacy, for example, "the fine band of the Children of Peace cheered the hearts of the Markhamese with a grand variety of lively airs."[70]

The Market Buildings

Despite their rejection of forming a party organization, the Grand Convention and subsequent election did not end the organizational efforts of the reform movement. The wheels had been set in motion to build Shepard's Hall. The election's outcome was by no means certain, and the need for a safe public space within which to hold their meetings remained a priority. Given the shortage of labour resulting from a cholera outbreak, the completion of the hall was postponed; it was eventually completed in early January, 1835. In the meantime, however, the reformers took advantage of the completion of the new market buildings to do what they had

[68] *Advocate*, 13 March 1834.

[69] *Advocate*, 27 March 1834 "Count the Cost." dated Hope, 2 March 1834.

[70] *Advocate*, 24 April 1834.

done when they triumphally reclaimed the old Court House from the Family Compact. The new market building had been initiated in 1831 by the magistrates of the Court of Quarter Sessions, and several large rooms in it were put up for rent in 1834, shortly after its completion. When Mackenzie became Toronto's first mayor in early 1834, he made the market building his city hall. The *Advocate*, and the reform movement, moved into a temporary "Shepard's Hall" in the south wing. Looking out of their windows south across Palace Street, the reformers would see the Farmers' Storehouse.

The Market Square building was a large rectangular structure 77 feet wide and 160 feet long, with a central, open courtyard, filling the block bounded by King, New (Jarvis), Palace (Front) and West Market Streets.[71] An arcade joined King St. to the inner square; a smaller entrance on the south side gave access to Palace St. A large building, the Town Hall, was erected above the King St. arcade, which was used as the first city hall. The remaining three sides of the building were two storeys high. The second floor of the south side of the square contained a single large room sixty by twenty-seven feet. A gallery ran around the inner courtyard, giving access to the second storey warehouses, and providing a viewing area for the many public meetings which took place in the square below.

The untenanted sections of the Market Square buildings, consisting of nine large rooms, were let at auction on 16 June 1834.[72] The large room, sixty by twenty-seven feet in size, on the second floor of the south side, was taken by Mackenzie for the *Advocate* office. Mackenzie had, however, put the *Advocate* up for sale on 17 April, having found that little effort had been put into collecting its accounts in his absence, and the burden of debt was too large and onerous to make it worth continuing. He would devote himself to his new role as mayor of Toronto instead. The mayor's office was in the Town Hall at the north end of the market square. The *Canadian Correspondent*, a reform newspaper edited by Dr. William O'Grady, a defrocked priest, took the room facing Palace Street on the southwest corner. The *Advocate* continued under the editorship of Peter Baxter, Mackenzie's brother-in-law, until after the October elections for the provincial assembly when it was purchased by O'Grady. O'Grady sold off its presses and merged the two papers into the *Correspondent & Advocate* on 30 October.

The disappearance of the *Advocate* left the large room on the second floor of the south building empty. The old Court House was leased out, and the reformers – still only loosely organized as the Central Committee – took over the room.[73] It was only now – after the elec-

[71] George Walton, *York Commercial Directory, Street Guide, and Register, 1833-4...* (York: Thomas Dalton, 1833), 47; Isaac Fidler, *Observations on Professions, Literature, Manner, and Emigration, in the United States and Canada, Made During a Residence There in 1832* (London: Whittaker, Treacher, & Co., 1833), 263-64.

[72] *Canadian Correspondent*, 14 June, 1834; *Colonial Advocate*, 29 May, 1834.

[73] *Correspondent & Advocate*, 24 December 1834; 8, 15 January 1835.

tion – that they reorganized as the *Canadian Alliance Society*, with James Lesslie, a city Alderman, as interim president. By January 1835 the Children of Peace were preaching in the same room every other Sunday.[74] And by the end of February, the Mechanics Institute had also moved into the same space;[75] Lesslie was treasurer of the Institute, and Timothy Parsons, the Canadian Alliance Society's secretary, was also the secretary of the Institute. The old office of the *Advocate* in the market buildings thus became the second temporary home for "Shepard's Hall," finally providing a space for the three legs of the reform movement, as called for in their prospectus; what the *Courier* scathingly called the "Holy Alliance Hay Loft."[76]

Radical Hall

The formation of the Canadian Alliance Society *after* the reformers repudiated any form of party organization, and *after* the elections requires some explanation.[77] It can, in part, be explained by the fact that the Central Committee, under John MacIntosh's chairmanship, had been appointed only until those elections. Something new, of necessity, had to eventually replace it. But the Central Committee had been narrowly conceived as an election vehicle – a task with which it had been enormously successful, with reform candidates sweeping the seats for Toronto and York County. Nothing need *immediately* replace the Central Committee just after the elections. It was those five newly elected reform representatives who were largely responsible for the founding of the Canadian Alliance Society, making its non-electoral focus all the more surprising. The Alliance was a political union, a lobbying organization, formed in the wake of the Central Committee's inability to constitute itself as a "permanent convention," a political party. Why then, was so much effort poured into creating this new society at this time when, as Mackenzie later noted, a "society of this sort could not be extensively useful" given reformers continued hopes "on the justice of the English Government"?[78]

To account for this innovation, we need to consider the institutional momentum of the reform movement, as a movement. The reform movement was not a political party – it had repudiated that – but was, rather, a gradual coalescing of a number of disparate groups with disparate goals which only slowly hammered out a common agenda. Galvanized by Mackenzie's expulsions from the House, and goaded by political violence and the threat of a "gagging bill," the political union movement, religious dissenters like the Children of Peace, and the Mechanics Institute had come to share both leaders, as well as a home: Shepard's Hall. Given the length of time,

[74] *Correspondent & Advocate*, 15 January 1835.
[75] *Patriot*,10 March 1835.
[76] *Patriot*,13 January 1835.
[77] Wilton, *Popular Politics*, 164-65.
[78] *Constitution*, 16 November 1836.

and the number of temporary homes it occupied, it is easy to lose sight of the reformers' plans for a "people's hall." The little publicized plan formulated in late 1833, came to fruition when these three organizations came to share the same leased space in 1834 in the market building. By late 1834, their proposed hall, now called "Turton's Building," was taking physical shape. It was this asset, as with the Temple of the Children of Peace, which proved the immediate impetus for the nebulous "Reform Society of Toronto" to adopt a constitution and establish itself on a more formal basis.[79]

When the Upper Canada Central Political Union first proposed "Shepard's Hall" in September 1833, they expected to start construction in the spring of 1834.[80] Turton was a vice-president of the Political Union, a common councilor in the Toronto city council and a "manager" of the Canadian Alliance Society which succeeded it in January 1834. By November 1833, Turton was already advertizing the construction of two three-storey buildings on the north-east corner of King and York streets, to be available the 1st of May. The buildings were, however, only completed in December 1834. Instead of two separate three-storey buildings, he built a single building with similar sized stores, and an additional "large room, 60 by 20 feet, for Public purposes, for which it will be kept" above.[81] The stores were eventually occupied by the printing establishments of the reform newspapers, the *Correspondent and Advocate*, and W.L. Mackenzie's *Constitution*. The public hall was used for the meetings of the Canadian Alliance Society and by groups of religious dissenters such as the Children of Peace, Methodists, Irvingites, and the Mormons.[82] The buildings were constructed on land belonging to Dr. William Warren Baldwin, who was to become the president of the Canadian Alliance Society in May 1836. Once the Alliance and reform newspapers moved in, it clearly fulfilled the Society's original vision:

> Our proposition is by no means new. The lawyers have combined and built *their* Hall; the Legislative Council have theirs; the governor and his executive council theirs; the district magistracy theirs; the pensioned priesthood theirs; the bank monopolists theirs; the college council theirs; and the House of Assembly theirs. All these "political unions" are upheld at the proper cost and charges of the good people of Upper Canada – the people it was who paid for all these halls. But what have they gained by them? Are these political bodies, as now constituted, or are they not, so many organized combinations carried on for the private advantage of their several members, at the continual sacrifice of the public good? Are they, or are they not?
>
> Is it not time that the people should come forward and subscribe their money, materi-

[79] *Correspondent & Advocate*, 11, 18 December 1834; *Patriot*, 12 December 1834. The Canadian Alliance Society adopted its constitution at a meeting on 9 December 1834.

[80] *Colonial Advocate*, 7 September 1833.

[81] *Correspondant & Advocate*, 18 December 1834.

[82] *Constitution*, 7 September 1836; the Methodists were led by dissidents to Ryerson's union with the Wesleyan Methodists, including the Rev. James Richardson, and the Rev. Mr. Turner.

> als, and labor, to build THEIR HALL, a place in which they, for whom alone governments are, or ought to be established, may quietly and peaceably assemble and meet together to concert measures in favor of cheap law, cheap religion, cheap government, and encouragement and spread of all useful knowledge throughout Upper Canada?

The prospectus for Shepard's Hall draws clear parallels between "combinations", such as the Law Society, the Court of Quarter Sessions, and the Executive Council, each of which, like their "political union," had their own hall. Whereas the "combinations" of the Family Compact were closed corporations with legislated monopolies over law, government and banking, the reformers proposed an alternate open model, a democratic "people's corporation." It takes little to appreciate the irony of the site of "Radical Hall" currently being the home to the Toronto Stock Exchange Towers.

The Provincial Loan Office

The first petition circulated by this new alliance was for a "Provincial Loan Office" on the model of the Charity Fund of the Children of Peace, and the Farmers' Store House Bank. It is important to underscore the economic factors which both brought these disparate actors together in Shepard's Hall. By 1835, the province was in economic crisis, and the economic ills which had pushed the farmers of the Home District to form the Farmers' Storehouse became acute. Farmers in the Home District, increasingly squeezed by their creditors, called for a "Provincial Loan Office" to help them weather the storm. The idea of a provincial loan bank had been discussed in the colony for more than a decade; it was, in short, a provincially-sponsored bank which would loan farmers small sums of £1 or £2 against the security of their farms. A bill confusingly establishing such a bank as "The Bank of Upper Canada" had been passed in 1821; however, when the York-captured "Bank of Upper Canada Bill" returned two days later with royal assent, this bill was annulled and the project dropped.[83] In August of 1833, shortly after the Children of Peace established their own credit union, and attempted to transform the Farmers Storehuse into a bank, a "poor farmer of East Gwillimbury" (where the village of Hope lay) renewed the call for a loan bank, and suggested

> let us exert ourselves, and see if we cannot get a loan office established in this wealthy part of the country. This we can obtain in spite of the House of Parliament, for we need no charter from them. A poor man has no chance in their bank, for what reason? Because he cannot get less than £25 or £50; when our loan office could lend a sum as low as they see fit, perhaps £1: 0: 0; such would give the poor man a chance as well as the rich man. This would be placing the rich and the poor more on an equal footing. If we don't assert ourselves in pleading the poor man's cause, depend upon it crushed down we are; for the more they can tyrannize over us the better their glory.[84]

This "Provincial Loan Office" was to be-

[83] Adam Shortt, *The Early History of Canadian Banking: The First Banks in Upper Canada* (Toronto: Journal of the Canadian Bankers' Association, 1897), 17-18.

[84] *Colonial Advocate*, 15 August 1833.

come the first petition campaign of the new Canadian Alliance Society.

A letter by Randal Wixon was published in the *Correspondent & Advocate* on the first of January 1835, advocating "A PLAN TO HELP EVERYBODY, INJURE NO BODY, AND PAY OFF THE WHOLE PROVINCIAL DEBT IN FIFTEEN YEARS BY ESTABLISHING PROVINCIAL LOAN OFFICES." Wixon was a member of the Hope Political Union led by Samuel Hughes, and had been the editor of the *Advocate* in Mackenzie's absence. Wixon's plan, like the Children of Peace's credit union, would provide small loans on flexible terms to farmers, rather than merchants. Wixon attributed the plan to William Cunningham, a Quaker from Hallowell township, Prince Edward County. Most of the petitions came from areas with a heavy concentration of Quaker settlers.

Wixon asked,

> How are people to be relieved from the pressure of these hard times? Produce fetches almost nothing, and every body are in debt. From what has fallen under my own observation, and from every other means which I have taken to inform myself, I am decidedly of opinion, that, at least one fourth part of the people in this province are so deeply involved in debt, that their personal property sold to the best advantage, at the present prices, would be totally insufficient to pay their honest debts... The consequence will be, that an immense quantity of property, both real and personal, will be brought into market at Sheriff's sale, with few purchasers.[85]

The plan that he proposed called on the provincial parliament to establish loan offices in each district associated with the registry office; these offices would issue "provincial loan notes" equal to twice the provincial debt which would be legal tender. These notes would be loaned in small amounts to farmers on security of their property, due in fifteen years, at 6% simple interest. It offered long term credit, as opposed to the ninety-day loans of the Bank of Upper Canada, and would be repaid yearly rather than quarterly, since farmers had but one crop a year to sell. As these farmers paid their yearly installments, this money would be reloaned to others, on a shorter period, so that at the end of fifteen years, the original pool of notes would provide compound interest; the profits from this compound interest would be sufficient, after expenses, to pay off the provincial debt at the end of fifteen years.

Basing bank notes on land, rather than on specie or a legitimate commercial transaction, was anathema to merchants who needed notes which could be trafficked outside the province. The reformers held this out as an advantage; notes based on land, which could not be converted into gold, would not fall in the continual snare of the Bank of Upper Canada which found its specie reserves constantly drained outside the province. But for merchants, this lack of convertibility would allow the "Province of Upper Canada to turn swindler upon a grand scale."[86] The critique seems less telling when it is recognized that even the Bank of Upper Canada frequently would not honor local merchant's for-

[85] *Correspondent & Advocate*, 1, 22 January 1835.

[86] *Patriot*, 6 January 1835.

eign drafts, if they paid for it with the Bank's own notes; it demanded specie in payment of such international transfers. If the Bank of Upper Canada's notes had no international currency, why should the Provincial Loan Office's notes?

These alternate conceptions on what was (or should be) the real basis for money reflected the differing *mentalité* of merchants and farmers. In the same issue of the *Correspondent & Advocate* as Wixon defended his plan from the merchants' critiques, David Willson clearly articulated an agrarian sensibility that labour, not trade, was the source of all value:

> What do you think of our legislating powers, have they acquainted themselves with our necessities. No!! they never hold the plough, nor drive the cart – manure the soil, nor reap the harvest; but we by spoonsful, fill up their treasures, and they receive with shovels or wholesale our hard earned bread.

He highlighted the importance of the petitioning movement of the Canadian Alliance Society:

> We have good men far and near who have taken up our cause... Behold how beautiful the line is drawn – thro' friends and agents a way is opened for the farthest inhabitant of the wood, to the throne of our king. It is not with us as in days past, when we had no mass of influence to plead our cause, and public matters were whispered over in the closet.[87]

The Farmers' Store, and the organization of the Canadian Alliance Society, seems to have been the crucible within which they learned how to garner public support, and to petition the House of Assembly for equitable treatment.

The petitioning movement for the Provincial Loan Office emerged directly out of the newly formed rural branches of the Canadian Alliance Society, and not its urban headquarters. The Lloydtown branch, for example, was formed on 17 January 1835, and its ninth resolution called for the implementation of the Loan Office scheme; their petition, from Joseph Watson and thirty-nine others, was read in the House on 11 February. The Albion branch was formed on 12 January, and its second resolution called for the adoption of the plan; their petition, signed by eighty-nine members was presented on 21 March. In all eleven petitions, signed by 1,012 freeholders, including George Hollingshead, a member of the Children of Peace and sixty-eight others, and Silas Fletcher, former director of the Farmers' Store, and ninety-six others, were presented.[88] These petitions were referred first to the Select Committee on Trade, and then to a select committee composed of Samuel Lount, Charles Duncombe, and Dr. Thomas D. Morrison. They drafted a bill, which received first reading on 6 April 1835. In the same session, on 25 January 1835, the trustees for the Farmers' storehouse, led by Samuel Hughes, again petitioned for incorporation to put their banking plans into operation. Although their petition was referred to a select committee composed of William Lyon Mackenzie, Samuel Lount and David Gibson, who drafted a bill, it was not presented until the next session, 11 February 1836, indicating the significant legislative barriers the reformers faced in their fight for

[87] *Correspondent & Advocate*, 22 January 1835.

[88] *Correspondent & Advocate*, 2 February 1835; *Journal*, 1835, 11, 13, 17-20, 25, 27 February 1835.

economic justice.[89]

However, on 11 April 1835, Duncombe, also the chair of the Select Committee on the Currency, delivered a report which confirmed the legality of joint stock banks on the Scottish system. The reformers pointed out that private banking in the U.S. had been restricted to chartered banks, which they held responsible for the high number of bank failures there. Few such failures occured under the Scottish system since employees were paid a fixed salary (hence they had no incentive to increase loans beyond their capital resources), and were made personally responsible for all bad debts. Shareholders, similarly, were responsible for all bank debts to the full extent of their personal property. The committee affirmed the legality of these unchartered banks in the province, and offered a template for their creation based on several successful British joint stock banks.[90] The legislative plans for the Provincial Loan Office and the Farmers' Storehouse Bank were thus transformed into the joint stock "Farmers' Bank" and the "Bank of the People."

Conclusion

In this article, the interconnections between a number of disparate themes, events, institutions and personages have been underscored. Debt was an assault on a farmer's independence and respectability, and the Farmers' Storehouse was an early attempt to circumvent its effects politically and economically. Toronto's merchants could determine both the price they paid for wheat, and the price of the goods they bartered for it, keeping the farmer in perpetual debt, and hence a political dependent. The Farmers' Storehouse, by allowing its members to borrow either cash or goods, reduced their dependence on merchants. Independence and respectability had their economic implications, but so too, their public or political side; only independent freeholders could vote according to their conscience when voting was open, and the support of a particular candidate visible to all. The cooperative movement granted that independence of conscience, but also, as I have just argued, served as the crucible for the development of a democratic sensibility, one rooted in serving the public, and of public vigilance in their supervision of elected public figures. And lastly, the cooperative movement had its explicitly legislative aspect, as it worked through the loose network of political reformers to fashion a more permanent solution to the systematic economic and political oppression they faced. Like the agrarian democrats of a century later, they castigated the 'special privileges' granted to legislated limited liability monopolies like the Bank of Upper Canada. They developed a labour theory of value, which undercut merchant's control of economic policy, and tried to implement a program of radical

[89] *Journal*, 1835, 46; 1836, 43, 62, 142, 238; an incomplete draft of this bill can be seen courtesy of the City of Toronto, Culture Division, Gibson House Museum, Ms 11-2.

[90] "Report of Select Committee to which was referred the subject of the Currency", *Appendix to the Journal*, 1835, No. 31.

monetary reform and state measures to redistribute wealth.

The Children of Peace played a critical role in the creation of the Canadian Alliance Society that has not been recognized. As key players in the Farmers' Storehouse, and as instigators of a "permanent convention," they helped pull the movement together in its new home, "Shepard's Hall." Teasing out these linkages requires us to follow an intricate trail: from the rebuilding of Solomon's Temple in "Hope" by these "lost Israelites" fleeing their pharaoh, to the creation of a credit union from the alms they collected there, and ultimately to the petitioning movement for a "Provincial Loan Office." From their cooperative sale of wheat, they proceeded to the formation of the Farmers' Storehouse, and from children of "peace" subjected to political violence, they built a safe home for free speech. And, finally, from preaching in Shepard's Hall, they became political proselytizers for a democratic Upper Canada.

To follow this trail it is particularly important to highlight the individuals who served to link this movement together. Joseph Shepard, a key figure in the Farmers' Storehouse, was also a key figure in the developing reform movement in the Home District. As with Ely Playter, his activity in the Farmers' Storehouse was one reason he achieved the political prominence that he did, eventually granting his name to its meeting hall. The same can be said of Samuel Hughes, who also served as president of the Farmers' Storehouse. Hughes was a delegate to the "Grand Convention" where he proposed the creation of a permanent reform party organization. He was an organizer of the Canadian Alliance Society, where his ties with the Farmers' Storehouse and the Children of Peace helped serve as glue for the movement. And he was a delegate to the Constitutional Convention of 1837, by which Upper Canada would have been declared a republic. The radical ideology that the Children of Peace developed around the theme of charity, and the economic strategies they implemented in their moral economy, served as a model for the broader democratic political movement of which they were taking a leadership role.