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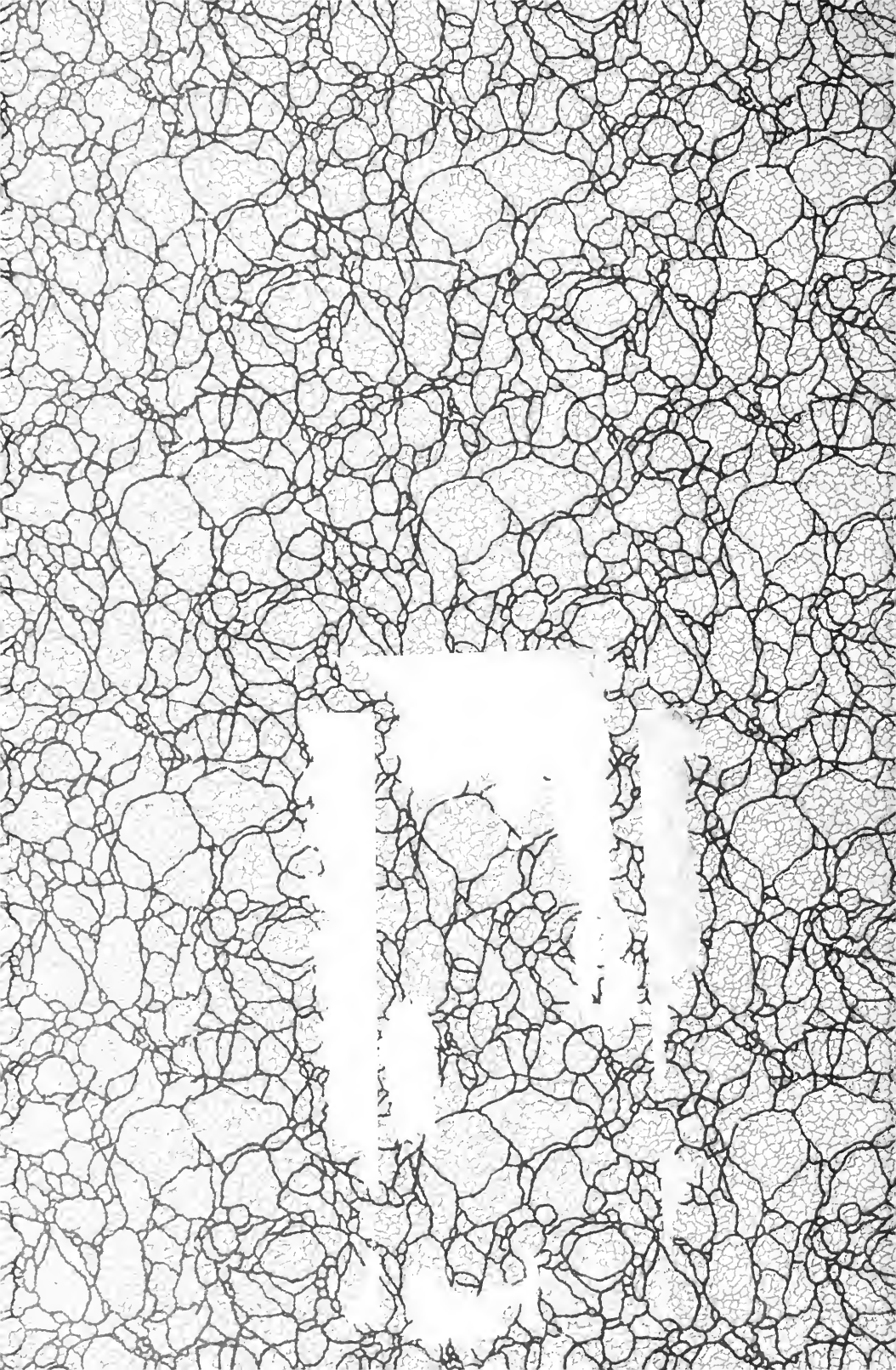
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# *CITY GOVERNMENT IN EUROPE*

## *HOUSTON'S INQUIRY INTO*

*Municipal Organization and Administration in the Principal Cities of Great Britain and Germany; with a Report of Findings and Recommendations for Houston's Guidance in Developing a Great Seaport City on the Gulf of Mexico*

1913

By

*FRANK PUTNAM*

*Special Commissioner of the City of Houston  
to the Cities of Europe*

*Published by  
THE CITY OF HOUSTON, TEXAS  
1913*

To Mr. + Mrs. Lawrence Hayward

J.P.

APPENDIX TO THE  
BOARD REPORT

## THE IDEA

*(Editorial, The Manufacturers Record, August, 1912)*

Mayor Rice and the City Commissioners of Houston have done a very wise thing. Recognizing that Houston is to be a big city, and that in its development many problems will have to be met, they have engaged Mr. Frank Putnam to go to Germany and make a study of the leading municipalities of that country. It is believed that Houston can learn many important lessons in the handling of municipal improvements and the betterment of the city by a study of the methods which have been so successful in many of the most progressive cities of Germany. Every city in the country could well afford to employ a first-class expert to study city improvements in this country and abroad. In this way the mistakes which have been made could be avoided and the successes achieved could be followed. Houston has set a good example.



## FOREWORD

1923  
In this book the writer makes no pretense to have done more than afford some glimpses of municipal organization and management in some of the chief cities of Northern Europe. It was the purpose of the city government of Houston to learn by means of this inquiry something about the means by which older cities have acquired good public services and it is the hope of the writer that his report, in the following pages, will to a degree serve that purpose. He has learned, in brief, these main facts:

First—That Houston's location with reference to national and international trade routes insures very large future city growth at this point on the coast of the Gulf of Mexico.

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Second—That Houston, in order to afford a suitable foundation for private enterprise which must be depended upon to utilize its advantage of location, must through its city government expend a large amount of money during the next few years laying city foundations and perfecting its public services.

Third—That (accepting the experience of older cities as a guide) the only way the City of Houston can get the money with which to do this work is by issuing bonds and by assessing the cost of improvements against owners of abutting property, enhanced in value by the making of such improvements.

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Fourth—That (again accepting as a guide the experience of the older cities) money borrowed by bond issues should, so far as possible, be invested in revenue-producing properties, so that hereafter a substantial portion of the cost of making non-revenue-producing improvements may be borne by the surplus revenues of public properties producing such surplus.

Fifth—That any changes in the form of our city government should be directed to the end of producing more certain continuity of constructive municipal policies, and to the employment, in all responsible positions, of technically trained men, when these can be obtained.

In making up this volume I have placed the final report with summary of findings and recommendations at the fore, to accommodate those readers who want a mere digest of the work. The letters sent home each week for publication in Houston newspapers are given substantially as first written, for those readers who may wish to trace the inquiry in details.

F. P.

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## CHAPTER I.

### REPORT OF THE CITY'S SPECIAL COMMISSIONER TO THE MAYOR AND CITY COMMISSIONERS OF THE CITY OF HOUSTON.

HOUSTON, TEXAS, January 20, 1913.

*To the Mayor and City Commissioners of the City of Houston:*

Being commissioned by you for the City of Houston to spend six months studying and reporting upon the organization and management of the public works and governments of the cities of Europe, so far as the task could be covered within the period named, and with a view to learning lessons from the experience of those cities which might be made of use in developing the public works of Houston, I undertook the work on August 7, 1912. I have visited Cork and Dublin, in Ireland; Sheffield and London, in England; Paris, in France, and most of the larger cities of Northern and Central Germany. Under your orders I have sent you twenty-one letters for publication in the Sunday newspapers of general circulation in Houston, in each letter discussing some phase of municipal organization or management in one or more of the cities of Europe. Thus the larger portion of my report has already been given to you and through you to the people of Houston by way of the newspapers. I submit here a brief summary of my findings, with some recommendations:

I find municipal taxes (levied mostly on incomes), in the cities which I visited, to run 25 to 100 per cent higher than in Houston and other cities of Houston's class in Texas.

I find the cities of Europe which I visited are all supplied with complete or nearly complete systems of street paving, water, drainage and sanitary sewers.

I find them as a rule owning their gas and electric light works, and many of them owning and operating also their street railways. I find the principle of municipal ownership and operation of these public utilities, both in Great Britain and in Germany, to be well established, and where exceptions to this rule exist, these are due to the non-completion of contracts entered into years ago between the private owners of these utilities and the city governments. I find it to be the settled policy of the cities which I visited steadily to extend the policy of municipal ownership and operation of public utilities until all shall have been taken over by the cities. I find the leaders in the popular demand for municipal ownership and operation of such utilities are not there, as here, radical politicians, but solid, substantial, conservative men of affairs, backed, of course, by the majority of their fellow

citizens of all groups and classes. The propriety and the success of municipal ownership and operation of public utilities in these leading cities of Europe is not any longer a debatable subject; their complete transference from private to public ownership is apparently only a question of a few years.

I find this principle of municipal ownership and control of public utilities to extend to and include the municipal ownership and control of at least a large portion of dock and harbor property. In the German cities the municipalities own and control all or nearly all of such property, leasing it to transportation and industrial companies at rentals which are planned to enable the cities to pay off debt incurred by them to provide harbors, and thereafter to turn a steadily increasing flow of revenue from that source into the municipal treasury.

I find the cities of Germany (all of them have been modernized and enormously increased in population during the past forty-two years) have issued bonds to borrow money with which to build public services, in amounts far beyond the average bonded debt incurred by American cities for such purposes. Of especial interest to Houston, as a city which hopes to become one of the great harbor cities of the world, I find that the cities of Hamburg and Bremen, the chief seaports of Northern Germany, have borrowed enormous sums with which to create and equip their harbors. Hamburg (directly and through a company in which it owns a stock control) during the past thirty years has expended \$130,000,000 on its harbor. Bremen a few years ago issued bonds, for making an enlargement of its harbor facilities, amounting to \$122 for each inhabitant of the city-state; this, of course, in addition to a bonded debt already far larger than that of Houston or any other Texas city. Hamburg's harbor, situated about seventy miles inland, on the river Elbe, has been cut out of a meadow, exactly as Houston's harbor, about fifty miles inland, must be made, if Houston's ambition to become a great seaport city is to be realized. Inasmuch as Houston, at the head of the Houston-Galveston sea-and-rail shipping district, brings tidewater several hundred miles nearer, for more than one-fourth of the United States, than any other possible great seaport, I am convinced Houston's ambition will be realized, step by step, during our own and the next generation, and that here in the Houston-Galveston district will arise one of the world's great cities, rivaling Hamburg, San Francisco, Glasgow, Boston and New York.

I find the cities of Europe which I visited are so organized as to procure that continuity of constructive policies which is essential to their economical development. In the cities of Great Britain, as a rule, only one-third of the city council is elected each year, thus assuring that at least two-thirds of the councillors shall be familiar with municipal policies and pledged to their continuance. I find the administrative officers of these British cities—clerk, treasurer, auditor, etc., are installed in office for life, the theory being that each year of their added experience in this work is an asset to the city, by reason of making them more efficient public servants.

I find in the cities of Germany that this purpose to procure continuity of constructive policies is more strongly emphasized than in Great Britain, and that city management in the German cities is a profession, ranking with the most honored professions.

I find that the taxpayers of German cities, and a few other citizens to whom for special service of one kind or another the privilege has been awarded, are the only citizens privileged to vote for members of the city councils. I find that the German city council employs a mayor, who can best be described as a general manager subject to the control of the council, acting as a board of directors for the people, and that under civil service organization the mayor and city council employ all other city officials, from top to bottom.

I find that mayors of German cities are employed precisely as presidents and general managers of American railway companies and other great privately owned companies are employed, namely, upon proved ability to perform the work. These German mayors, and most of the other higher officials of German cities, are all not only men of the highest technical education, but must have proven their executive capacity as well before they can rise to the rank of mayor-general-manager of any considerable town.

I find that German cities often compete for the services of men who have won high repute as mayors, and that in such cases the city which succeeds in hiring the man sought usually ties him up with a life contract, in order to prevent some other city from taking him away with an offer of larger salary.

I find that in some instances the mayors of German cities are permitted to add to their incomes by acting as officials or consultants of private industrial companies.

In the cities of Prussia mayors are employed for terms of twelve years, but it is well understood that if the mayor has served satisfactorily during his term he will be re-employed, unless he shall in the meantime have reached the retiring age. In Munich the mayor is employed for a trial term of three years, and if he makes good he is then re-employed for life, or until he reaches the retiring age.

I find that all employes of German cities are employed for stated long terms of years, with the understanding that good work will insure retention in office term after term until the retiring age is reached, when all shall retire on pensions sufficient to maintain them as long as they may live.

I find the cities of Great Britain and Germany making a stout effort to abolish crime and disease-breeding slums, both by enacting laws which require private owners of slum tenements to remodel them in conformity with sanitary science, and, when this effort fails, by condemning such buildings and replacing them with municipally owned tenements, which are rented to the people at cost plus interest.

I find it to be the settled policy of the leading cities of both nations to extend the principle of municipal ownership and operation not only to water, light, transportation and those utilities which in most

American cities are privately owned, but also to markets, housing, playgrounds, baths, gymnasia and any other community needs which are not adequately served by private enterprise.

I find the cities of Germany nearly all conducting municipal savings banks. There are more than 20,000,000 individual deposits in these banks, with total deposits exceeding \$700,000,000. Deposits are guaranteed by the municipalities.

I find most of the German cities owning and conducting public bath houses, including Turkish baths, in which the citizens get good service at prices ranging from 20 to 40 per cent of the cost of such service in American privately-owned baths.

I find the cities of Great Britain and Germany conducting labor exchanges or public employment agencies, which serve employers and men seeking work at low cost or none, thus protecting them from extortionate charges and fraud often inflicted upon American working-men seeking employment through private agencies.

I find the American public free school system to be, in theory as to all youths, and in practice as to a small minority of our youths, more liberal, more fully equipped, and more democratic in spirit, than the free public schools of either Great Britain or Germany. American public schools, giving to all children alike, whether of rich or poor families, identical education, free to all whose means permit them to take advantage of it, from primary through the high school which prepares them for college, has the supreme merit of being the world's most conspicuously successful agency for asserting the natural right of all human beings to an equality of opportunity. Caste and class spirit have no part or place in it. Whatever its shortcomings, it is still this country's noblest single contribution to human civilization.

In Germany, where education in the primary or common schools, up to the pupil's fourteenth year, is compulsory, and where 14,000,000 children below fourteen years of age are in attendance, tuition is free. It is possible, in my opinion probable, that the Germans, directing the pupil's attention during the last year or two of this primary schooling toward the trade or craft or calling which he seems best fit for, or which is most available for him, have improved upon our common school system devoted wholly or mainly, during this period of the pupil's life, to text-book learning. The so-called continuation schools of Germany, including afternoon sessions three days a week, night sessions and Sunday sessions, aim to extend the primary school graduates' knowledge of the craft, trade or calling in which they have enlisted as wage-earners, and in these schools, too, attendance is compulsory up to seventeen years of age. Employers of these pupils are required by law to allow them to attend the afternoon school sessions.

All schools in Germany are under state supervision, but most of them are conducted by municipalities subject to such supervision. The cities derive a considerable portion of their yearly revenues from tuition fees paid for pupils in the higher schools and colleges.

Summed up, it can be said that the cities of Germany are at once the youngest (in their new planning and organization), and the most completely equipped and beautiful cities in Northern Europe. They have got these advantages because:

(1) The Germans were the first people to perceive that the migration of millions of village and farm people into city manufacturing centers, following the invention and application of the great product-multiplying machines of modern industry, had created a new problem (the problem of decently and healthfully housing, feeding, entertaining and governing these millions in their strange new environment), and were therefore the first people who attempted to solve that problem, and have gone much farther than any other people toward a solution of it.

(2) In order to accomplish the end desired, the German cities have borrowed vastly larger amounts of money on bond issues than American cities, excepting only New York.

(3) As a rule, the German cities have invested this borrowed money, or most of it, in revenue-producing properties—those public utilities which theretofore in Germany were, and today in American cities still are, privately owned and operated for private profit.

(4) Taxes in German cities were and are high, as compared with taxes in American and especially in Texas cities, on the principle that it is cheaper to have and enjoy the foundation decencies of city life, at any price, than not to have them; and most public improvements, not of a revenue-producing character, have been paid for out of current revenues, by assessing a share of the cost against abutting property, and from the surplus earnings of the revenue-producing public services.

(5) The general welfare being made paramount to private profit in serving most of the common needs in the modern German cities, city planning, to meet these needs, and to procure for each inhabitant the maximum of health, comfort, beauty and sane entertainment at the minimum cost, as well as to provide manufacturers with the best shipping facilities and labor supply at minimum cost, has advanced in Germany beyond other nations. It has, indeed, become one of the professions, distinct from architecture and landscape gardening, both of which arts it supplements and employs. The modern cities of Germany have been consciously planned, by their governments employing the best obtainable professional skill, to get these results; and their subsequent and future growth has been and will be on lines laid down in these comprehensive city plans. A man with \$10,000,000 could not go to Dusseldorf, the chief steel and iron manufacturing city of Germany, and locate a factory costing that amount on any spot where it would impair the health or the property rights of the humblest citizen, or anywhere else, in fact, except in a section of the city set apart by the city government for such industries. But in that section the investor would find that the city government had provided him with the best possible rail and river shipping facilities, and adjacent to an industrial population, decently housed, that was adapted to his

need. American cities expanding under pressure of the desire for private profit, like Topsy, "just grewed." So far as I can learn, the modernized cities of Germany are the only ones which have been consciously and intelligently planned, subordinating private profit, from the increment in land values, to the general welfare. Many of the German cities, and the imperial government as well, have entered upon the policy of appropriating for the public treasuries a portion of this land value increment, and it apparently is their purpose to extend this policy until it covers all or nearly all of such increment socially created.

(6) The German cities have been able to get their huge municipal investments intelligently and honestly expended (not without some notable exceptions in both respects, however, since our German cousins are human like the rest of us), because they have from the beginning of their new era (dating from the revival which followed the Franco-Prussian war and the formation of the German Empire) treated municipal government as a profession, and not, in the American fashion, as a cross between an exciting sport and a scramble for the spoils of office. The Germans have been able to procure men professionally trained, to fill their municipal offices, because they are the best educated people, in the middle and upper levels, in Europe, and because they recruit the talent in these levels with a steady, small, but constantly increasing stream of talent rising from the industrial levels of their society. Four of the principal German cities maintain municipal service colleges in connection with their city governments; in these colleges aspirants for city positions, high or low, are given training to fit them for the posts to which they aspire. None is appointed until he has completed his period of training and proven his efficiency.

## II.

Six years ago, viewing Houston for the first time, and observing that this city had nearly if not quite a hundred excellent churches, but had very few sewers, less than one-half the necessary city water service that was needed for people then here, a scant one-eighth of the needed pavement, and only a small percentage of scattering sidewalks, I gained the impression that while the people of Houston were admirably equipped for living in Heaven, they were rather poorly equipped for living in Houston.

Since that day an energetic effort has been made by the city administration to perfect our arrangements for living in Houston. Those years have witnessed the erection of numerous fine public school buildings, the rapid extension of the city water and sanitary sewer systems, the making of a good beginning on the task of underground drainage, the laying of a small amount of permanent pavement, the construction of several hundred miles of sidewalks. Those years witnessed, too, a long and finally successful (after two attempts in popular elections) campaign for the adoption, here in Houston, of the front-foot paving plan, the plan by which all American cities, with few exceptions and none of the larger size, have been able to pave their streets. Until that



plan was adopted by vote of our citizens, it was impossible for Houston to hope to pave any considerable mileage of streets under the old plan, which required the city to pay the whole cost of paving.

The new plan, the all-but-universally used American plan, having been at last adopted here, and the people having recently voted a few hundred thousand dollars with which to pay the city's share of the cost of paving laid under the front-foot system, the way is now, for the first time in Houston's history, opened for really paving the city. The money in hand will make a beginning, and if the people of Houston are not content to dwell forever in the mud, if they want good streets, they will no doubt hereafter from time to time vote additional bonds for this work, or will submit to increased taxation for it, if they do not approve bond issues for paving, since the experience of the old-world cities proves there is no other way to get paving except by paying for it.

I offer the following recommendations, not with the hope that all or any of them will be immediately adopted, but with the desire that they go on record as the best counsel for Houston that I can formulate after twenty-five years' study of American municipalities and a brief, hasty glance over the organization of some successful old-world cities:

First—I recommend that the salary of the mayor of Houston be raised from \$4,000 a year to \$10,000 a year, and that the charter provision requiring candidates for this office to have been owners of Houston real estate for two years, and resident property taxpayers five years, be eliminated, in order that the ablest men for the place, whether rich or poor, may feel that they can afford to become candidates for it, and to occupy the office without fear of bankruptcy if elected. The office of general manager of a corporation touching intimately the lives of 100,000 to 125,000 people (soon to be a quarter million) and which has an annual turn-over of more than \$2,000,000 (soon to be \$5,000,000 or \$6,000,000), is at lowest calculation a \$10,000-a-year office, and calls for a \$10,000-a-year man to fill it acceptably.

Second—I recommend that the term of office of the mayor of Houston be extended from two years to four, or, even better, to six years, in order that the city's executive head, having laid down, with the advice and consent of the commissioners, certain far-reaching constructive municipal policies, shall be free for a reasonable term of years to develop those policies, without being, as now, compelled every two years to fight for his political life in order to finish anything which he has begun.

Third—I recommend that the four city commissioners be exempted from the charter provision which now requires them to devote their whole time to city service and to have no other business, in order that these offices may thus be opened to men of greatest ability, who now are unable to accept service on the commission because to do so would force them to abandon their private business or profession.

Fourth—I recommend that the term of office of the four city commissioners be extended from two to four years, and that one commissioner, and one only, shall be elected each year, in order that there may

at all times be in the city government a majority, three members of the commission, acquainted with municipal policies and pledged to their continuance. It seems to me we assume an unnecessary and unbusinesslike hazard so long as we risk electing every two years an entire new commission, of men wholly unacquainted with municipal policies or affairs.

Fifth—I recommend that the four city commissioners be not required to serve as the active heads of city departments, but that they act as a board of directors of the city corporation, together with the mayor, outlining main policies; execution of these policies to be committed to the mayor's hands, and he held by the board of directors to a strict accounting for executive management. Active heads of city departments should be employed, on merit, during good behavior.

Sixth—I recommend that the four city commissioners be paid \$20 each for attendance at one weekly session of the board, or \$10 each (per session) for attendance on two weekly sessions of the board, instead of the \$2,400 yearly salary now paid commissioners for giving their whole time to the city service.

Seventh—I recommend that the initiative, referendum and recall be embodied in our city charter; the recall to apply to all elective officers, and to be available upon petition for a recall election signed by not less than 30 per cent of the number of voters polled at the last preceding election. Inasmuch as Houston, with 17,000 men of voting age, seldom polls as many as 6,500 votes in a municipal election, it seems to me that 30 per cent of that number, or less than 2,000 voters out of 17,000, is as low as it would be safe to set the figure if we wish to keep "the gun behind the door," as Governor Wilson puts it, and at the same time escape the temptation to use it hastily and without due reflection. San Francisco has the recall at 10 per cent; Los Angeles, 20; Seattle, 25; Denver, 25; Portland, Ore., 25; Oakland, 15; Birmingham, 3,000 voters; Omaha, 30; Lowell, Mass., 20; Spokane, 20; Trenton, 25; Lynn, 25; Des Moines, 25; Lawrence, 25; Tacoma, 25; Kansas City, Kan., 25; Duluth, 25; St. Joseph, 20.

Eighth—That as speedily as possible a way be found to issue city bonds with which to take over into municipal ownership and operation the gas and electric lighting services and the street railway; and in the meantime—since I have little hope that this desirable change will come to pass in the near future, in view of the city's absurdly limited bond-borrowing capacity under the state constitution—I recommend that the city borrow every obtainable dollar, by bond issues, and that it gradually advance the tax rate, to obtain funds with which to complete, at the earliest possible day, our drainage, sanitary sewer, water supply and paving systems.

Ninth—I recommend that the management of the public free schools of Houston, in obedience to the spirit in which the bond money was voted, and in conformity with the actual needs of a large majority of the pupils, shall so organize the work of the public high schools, and especially of the junior high schools, as to enable all pupils who want it to obtain the maximum vocational training which will equip them

when graduated to become wealth-producers and self-supporting members of society. The democratic ideal which always has and always should animate our free public school system will not, in my opinion, be impaired if our schools, like our other public services, manifest an increasing tendency to prepare their beneficiaries for living in Houston instead of in a state of mind.

Tenth—I recommend that the City of Houston procure authority from the legislature of Texas to obtain ownership of ample territory on either bank of the ship channel to provide for necessary enlargement of the ship-turning basin and to prevent monopolization by private interests of channel frontage which will ultimately be needed to accommodate railroads, warehouses, factories and other industrial institutions. The city should own at least 5,000 acres of land, lying on both sides of the channel, at the point finally chosen for a harbor site. I recommend as such site the point where Green's bayou enters Buffalo bayou, 11½ miles in an air line from Main street in Houston. I further recommend, in this connection, that the city at the proper time shall employ the best obtainable harbor engineer, to make a thorough technical study and report upon the best European harbors, to make sure that in the development of Houston's harbor and wharfage equipment, the best modern services shall be installed. The success of our future harbor will depend quite as much upon its ability to handle a ton of freight at minimum cost as upon our extremely favorable location.

Eleventh—I recommend that the city government create a city-planning commission for Houston, to outline, for adoption by the city government, a general plan providing for Houston's future growth, as the German cities have done. I regard this as by long odds the most vital of all my recommendations, since I am firmly convinced, having studied Houston's situation in comparison with those of the great developed inland harbor cities of Northern Europe, that Houston is certain to become a city of more than a million inhabitants within fifty years. It would be nothing less than purblind folly for the generation now in control of Houston's destiny to neglect to make provision for a sane, beautiful, healthful, economical plan of future city growth—now, while the first foundations of the future great city are being laid. The city of Dusseldorf, Germany, the cleanest, best-housed, most healthful, most prosperous and one of the most beautiful cities in the empire, has just paid out something over \$25,000 to competing city-planners whose plans for the city's future growth were submitted to the city council in response to a call and the offer of large cash prizes. Houston's city-planning commission should be composed of our most enlightened citizens, serving patriotically without pay for pride in their privilege of helping plan a city, primarily to conserve the health and comfort, and to minister to the sense of beauty, of generations who, coming after them, will honor them for this service. This city-planning commission should include one or more women in its membership. It should be provided with means to employ the best obtainable professional talent. Inasmuch as its work would probably

be concluded within two or three years, it could not be held to conflict, as to its duties, with the existing park commission, nor with any other body of city officials. Its final plan, formed after hearing from all sections of the present city, and from all classes and groups of citizens, should be officially adopted by the city government, and that government should insist upon a strict observance of the plan in the city's subsequent industrial, residential and park and playground expansion.

Twelfth—I recommend that the city government establish a municipal labor agency or employment bureau, to serve Houston employers and Houston workers seeking employment, without charge. These agencies have made good in the old-world cities; a service of this kind, which can be rendered better by the city than by private individuals, and which rightly managed would reduce vagrancy and the out-of-work problem that now creates a heavy charge upon the public treasury, is in my opinion one which the city can properly establish.

Thirteenth—I recommend that the city government, so soon as may be possible, establish and operate not less than four public bath houses in different portions of the city; one of the four, to be situated in or near the city center, to provide facilities for Turkish baths. This service to be given at cost plus interest. For 40 cents in a municipal bath house in any of the larger German cities, one gets an excellent Turkish bath; for two or three cents a cold tub and for four cents a hot tub, with soap, towels and access to a big swimming pool. Days are set apart in these public bathing establishments for women and girls. The charges are calculated to pay cost of operation. Houston, a sub-tropical city lacking river or lake bathing facilities, and provided (and certain for many years of construction turmoil, under any administration, to be provided) with an overplus of blowing dirt of all sorts, needs adequate public bathing facilities as badly as it needs any other public service after drinking water, which we have, ample, of best quality and low in price.

Fourteenth—I recommend that the city government establish a municipal slaughter house, and require that all animals whose flesh is to be offered for sale in this city shall be slaughtered therein, subject to competent inspection before and after slaughtering, to guarantee our citizens against the sale of diseased meats.

Fifteenth—I recommend that the city government establish public comfort stations at various places in the city center; wanting these stations, no city is fitly equipped to entertain large crowds of visitors.

My services for six months cost the city of Houston \$1,800; my expenses during the service, chargeable to the city, were \$2,700, making the total cost to the city \$4,500.

The city, as a going business institution, competing with hundreds of other ambitious American cities for new population, capital and enterprises, has derived, directly from this mission, the best kind of newspaper and magazine publicity, in a volume which could not have been bought for \$500,000 in cash.

I submit herewith a statement of my expenses:

EXPENSE ACCOUNT OF FRANK PUTNAM, TRIP TO EUROPE IN SERVICE OF CITY OF HOUSTON, AUGUST 7, 1912, TO JANUARY 7, 1913.

Cash received from City of Houston, account expenses. . . . \$2,700.00

Spent in service of City of Houston, for—

*Transportation*—Visiting and working (to procure publicity for Houston and to obtain information concerning municipal governments), in Kansas City, Mo.; Waterloo, Iowa; Chicago, Ill.; New York, N. Y.; Boston, Mass.; Cork and Dublin, Ireland; Glasgow, Scotland; Sheffield and London, England; Paris, France, and the principal cities of Germany, including charges for steamship, railroad, motor boat, carriage, taxicab and other conveyances, covering 15,600 miles. . . . . \$ 870.05

*Entertainment*—Hotel, cafe, restaurant, theatre, dining cars, clubs, and social functions to which, as Houston's special commissioner, I was invited, and in entertaining in my turn people who thus aided me in my task of inquiry. . . . 1,036.15

*Service*—Translators, typists, secretary, couriers, porters, and gratuities to other servants. . . . . 437.40

*Purchases*—Necessitated by the work in hand and the exigencies of travel: books, papers, clothing, postage, pictures, maps, printing, cable and telegrams and other incidentals. 356.40

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Total amount expended. . . . . \$2,700.00

Learning since my return home that some taxpayers think the expenditure of this money was ill-advised, or wasteful, I insist here upon my right to say to such taxpayers, if there be any, that I stand ready on their demand, and on presentation by them of a properly certificated voucher from the city tax collector, to refund to each his pro rata share of the cost of the undertaking. For five years, a private citizen, I have served Houston in as many hours daily as I could spare from the task of earning a living; have done it for sporting pride in the town and to make it a more beautiful, more healthful and comfortable place to live in. The only reason I did not make the city a present of this trip and inquiry was because I could not afford to do it. Rather than have any taxpayer feel I have wasted a penny of his money, I stand ready to take the trifling burden off his hands on demand.

Respectfully submitted,

FRANK PUTNAM.



## CHAPTER II.

### THE ANCIENT CITY OF CORK.

Cork, Ireland.—It seemed desirable that one who had undertaken the task of extracting precise information, official in character, from the managers of cities in several European countries, should first kiss the Blarney Stone. So, instead of proceeding direct to Liverpool, as first planned, I quit the Caronia at Queenstown and came the same day, Saturday, August 31, to Cork by rail.

Sunday morning, however, discovering that in order to kiss the stone one has to climb by a winding stone stairway 120 feet to the top of an ancient tower and then hang down, head first, on the outer wall at that height, ankles in the grip of one or more friends who lean backward with feet braced, I decided it was not in keeping with my personal and official dignity to assume such a position for such a purpose, and stood aside for more reckless individuals. The effect of kissing the Blarney Stone was exhibited by an old man who met us at the entrance to the castle grounds.

“How long have you lived here?” he was asked.

“Sixty-four years,” he replied.

“And have you ever visited America?”

“No, sir, I have never yet breathed the air of freedom.”

Next day, at city hall, Lord Mayor O’Shea and City Clerk McCarthy made the Houstonian free of the hall and the city. “I think,” said the lord mayor, “we’d better be sending a commissioner to Houston, to learn from a city so enterprising that it seeks facts for the people’s business at so great a distance. I have never heard of anything like it before. It’s a fine idea, and I can easier believe now that you really have a great city in the making, as I’ve been told often.”

Cork, like Houston, was rated at about 78,000 in the last census, and like Houston has more than 100,000, including its overflow population around the edges. It seemed to me, therefore, to afford a good opportunity for placing the municipal development of a young American city in contrast with that of a very old European city of about the same size. Cork, like Houston, is back a few miles from the seacoast, and like Houston has a ship channel leading inland from the coast city near it. Cork’s channel is the River Lee, deepened and improved by the government to 31 feet at low tide.

Houston is less than eighty years old. Cork’s oldest existing charter was granted in 1290, and that charter was in part an extension of powers granted in earlier charters. Father Cushman of Chicago, here to pay his thirty-seventh annual visit to his old mother, four miles from Cork, and who knows the history of Ireland from Cork to Belfast

in detail, told me the Celts had a vast empire reaching from the Black Sea to the Baltic before the Christian era, and possessed a high civilization before the coming of St. Patrick in the fifth or sixth century, A. D. Cork has long been known as the Athens of Ireland, and even more than Dublin is the center of Nationalist sentiment.

Today Cork is declining while Houston advances. But Cork is making a strong effort to stay her decline, and is doing it by means of vocational education, locally, while her representatives in the British parliament fight for home rule for Ireland and a larger measure of local self-government. Cork like Houston wants new industries, to enlist the energies and spur the hope of her people. Cork, following the German example, has beaten Houston to the establishment of a trade school, and in this trade school, or technical school as it is called here, I find perhaps the best affirmative lesson which Houston can learn from the ancient metropolis of South Ireland. Beginnings in technical education—artistic and mechanical—were made in Cork seven years ago, in three scattered buildings. It was recognized that, whoever might hold the reins of government, the economic hope of the people must rest upon industrial efficiency, and so they began breaking away from the exclusively classical ideal of education.

The three scattered schools of seven years ago are now assembled in one large building. The site was given to the city by a generous citizen. The nation granted a yearly allowance for the maintenance of the school and confided its management, subject to the approval of the national board which controls mechanical and agricultural education, to a committee of the citizens of Cork. The committee capitalized the national allowance and realized a lump sum of approximately \$100,000, with which the school was built and equipped. It has been in operation on the new basis one year.

This school was intensely interesting to me, as the first out and out trade school I had ever seen. Its purpose is frankly to train boys and girls, men and women, for the skilled trades. Thus far it has confined its appeal to youths already apprenticed in the various mechanical trades in Cork. It has made no effort, chiefly for want of space, to call in and give a complete trade education from the beginning to youths who have not already made a start as craftsmen. The labor unions have been friendly to the school; they are represented on its managing committee. They do not see in it a menace to the stability of wages, so much as a promise of higher wages ultimately, to follow advanced standards of skill in the several crafts. They are far-seeing, these Cork unionists. They realize that with the increasing complexity of many of the crafts it is not possible for a craftsman who has learned his trade in the old way, through practice alone, and in ignorance of the scientific principles which underlie practice, to give the best service or demand the highest pay. Some of the union men have objected to the work of the school, but most of them have thought for their sons as well as for themselves. They realize, as we in America have begun to realize, that the old plan of giving all children the same kind and amount of free education—education leading not to



the useful trades but to the overcrowded professions—has ceased to meet the needs of an increasingly complex civilization—the civilization of the vast machines which have superseded old-time hand tools, and which require the attendance not of the old-time all-around workman but of highly trained specialists.

Cork, nearly or quite 1,000 years old, like Houston, less than 80, has suddenly realized the vital necessity to provide, in her public free schools, the kind of education which will equip public school graduates to take their places without loss of time in the established industries, as wealth-producers and self-supporting members of society. Beyond that, Cork like Houston realizes that in order to acquire new industries she must create in her own citizenship a body of skilled workers, competent to grasp the principles of the new machinery of industry, and to apply them.

Texas timber owners, and Houston citizens who are studying the problem of paving materials there at home, will be interested to know that Cork is repaving a portion of St. Patrick street, the principal business highway, with creosoted wood blocks. Granite is being taken up to give place to wood. The blocks are of soft pine from Norway, by no means equal in durability to the creosoted cypress blocks produced in Southern Texas. But they are deemed so great an improvement over granite (after a dozen years of trial in other streets), for minimizing noise of traffic, for cleanliness and in other ways, that the change is being made with general public approval.

The Cork corporation owns none of its public utilities except the water works. Street railways and electric light plant are owned by a private corporation, which manages to pay 4 or 5 per cent dividends on its capitalization, of which one to one and one-half per cent is earned by the street railways. In Cork one travels from end to end of any of the lines—a maximum distance of little more than three miles—for two cents of American money; if you mean to make the round trip, your ticket going out and coming back will cost you three cents of our money, or one pence and half-penny of English copper. There are no transfers given from one line to another, and there is very little demand for them. The city has charter authority to acquire title to these utilities and operate them, but does not deem the investment an attractive one, rates considered. The mass of the people of Cork are undeniably very poor; naturally, they do not patronize street cars so liberally as do the Americans, few of whom, in or around Houston, know what actual poverty may mean to its victims. The dollar not only goes much farther here than in Texas, but it is a lot slower making up its mind to start at all. Considering that Ireland's population has declined over 4,000,000—nearly 50 per cent—in 70 years, and that most of those who have departed, otherwise than by death, have been the strongest and most daring, Cork's ability to hold her own in population, and her courageous attempt to remedy her case by applying the doctrine of educational efficiency (while never ceasing from the fight for home rule), is an amazing proof of the people's extraordinary vitality and their grip upon their ancient ideals.

So much for the official side of the case. Now for just a paragraph or two dealing with the human side of the picture. Perhaps, too, it has a bearing on the official side. At any rate, it points the moral that the city which neglects to appreciate and cherish its artists is overlooking a good money bet, and that is something we can all understand. Thus: Cork is a Mecca for tourists from all over the world, and I am told a very large number of them—as many, probably, as come to kiss the Blarney Stone—are drawn here to see the church in whose tower are the Bells of Shandon, celebrated in Father Prout's famous poem.

"All day long and every day," said the old man who showed me through the church, "people come here from all over the world to see the church and to hear the bells. Weekdays I play jigs on the bells, but Sundays (I was there Sunday afternoon) we play only hymns." Whereupon he played "Lead, Kindly Light" and "Abide With Me." He said he had frequent requests for these hymns from American visitors. These were the favorite hymns of the late President McKinley. I am going to violate official tradition by quoting the poem here, in order for my fellow Texans to get a line on the kind of talent we ought to encourage with a view to drawing a profitable tourist trade our way hereafter.

#### THE BELLS OF SHANDON.

With deep affection and recollection  
 I often think of the Shandon Bells,  
 Whose sounds so wild would, in days of childhood,  
 Fling 'round my cradle their magic spells—  
 On this I ponder, where'er I wander,  
 And thus grow fonder, sweet Cork, of thee;  
     With thy bells of Shandon,  
     That sound so grand on  
 The pleasant waters of the River Lee.

I have heard bells chiming full many a clime in,  
 Tolling sublime in cathedral shrine;  
 While at a glib rate brass tongues would vibrate,  
 But all their music spoke naught to thine;  
 For memory dwelling on each proud swelling  
 Of thy belfry knelling its proud notes free,  
     Made the bells of Shandon  
     Sound far more grand on  
 The pleasant waters of the River Lee.

I have heard bells tolling "old Adrian's mole" in,  
 Their thunders rolling from the Vatican,  
 With cymbals glorious, swinging uproarious  
 In the gorgeous turrets of Notre Dame;  
 But thy sounds were sweeter than the dome of Peter  
 Flings o'er the Tiber, pealing solemnly.  
     O! the bells of Shandon  
     Sound far more grand on  
 The pleasant waters of the River Lee.

There's a bell in Moseow, while on tower and kiosko,  
    In St. Sophia the Turkman gets,  
And loud in air calls men to prayer  
    From the tapering summits of tall minarets;  
Such empty phantoms I freely grant them,  
    But there's an anthem more dear to me:  
        It's the bells of Shandon,  
        That sound so grand on  
    The pleasant waters of the River Lee.

And while we stood on a classic stone arch bridge above the dark flowing waters of the River Lee, listening to the bells of Shandon, my friend, Judge O'Neil of Scranton, Pa., who was lured across the wide waters to hear those bells, recited the poem that has touched the hearts of millions and which is now, let us not forget, bringing each year thousands of perfectly good tourist guineas into the tills of the inn-keepers and shopkeepers of the city in which the poet was born.



## CHAPTER III.

### THE CAPITAL OF IRELAND.

Dublin, Ireland.—The Irish capital is another city which, like Cork and Houston, has utilized a small stream to give it an inland harbor. The River Liffey, back from Dublin, is an inconsiderable stream. In and below Dublin to the sea it has been widened, deepened and walled with rock, giving the city a broad water highway traversed by seagoing ships of large size.

Dublin has a half million people. It is one of the handsomest, best-built cities that I have seen. Its streets are broad and well paved. Most of them are paved with granite blocks. Here as in Cork some of the downtown streets have recently been repaved with creosoted wood blocks; indeed, the Shelbourne Hotel, the city's leading caravansary, advertises the fact that the streets upon which it fronts have been repaved with wood blocks, thus procuring more quiet for its guests. Drivers praise the wood block, saying it doubles the working life of their horses (as compared with the granite blocks), and the taxicab men tell me it is far easier on tires.

The British government maintains in Ireland forty-two administrative boards, each charged with the duty of governing the people in one way or another. The local government board holds a check on municipal administration. The cities of Great Britain obtain charters from the British parliament. The powers of the city councils elected by the people of the cities are limited and very strictly defined. The function of the local government board for each of the three chief divisions of the United Kingdom—England and Wales, Scotland and Ireland—is to see to it that city councils do not exceed their charter authority. For example: a Dublin philanthropist donated to the city a gallery of fine arts. The city council accepted the gift and levied a small tax to maintain the gallery. The Irish local government board's responsible officer cut that item out of the budget. He surcharged it back on the city councillors who voted the tax and they were obliged to pay it out of their own pockets. The local government board man said he appreciated the usefulness of a municipal gallery of fine arts; he wished it were possible for him to approve the tax for its maintenance, but since the city's charter contains no specific reference to that subject he was bound to strike it out of the budget. The local government board's decision is binding. There is no judicial court to which the Dublin city council can appeal. Its one chance for a refund is to procure an act of parliament for the settlement of this small purely local transaction—if such an act can be jammed through when

parliament is distracted with consideration of vast, revolutionary fiscal schemes affecting the whole 40,000,000 people of the United Kingdom.

Thus, through its local government boards, whose members are appointed by the national government, the nation conducts an audit of all expenditures by British cities, and exercises a degree of control over details of their local administration which no American legislature would dare attempt to enforce upon an American city. Women taxpayers vote on equal terms with men taxpayers on all municipal affairs in the cities of Great Britain. There have been two women mayors of big English towns—one larger than Houston—but government in practice is to a large extent handed down to the people from the national capital. Each city has a board of aldermen and councillors, elected by the people. This board in turn elects the lord mayor, who is usually a mere figurehead. In practice, British cities have long since adopted the custom of re-electing the city clerk, the city treasurer and the other city officials who really manage the business, term after term, as long as they care to serve, thus enabling men who have prepared themselves for it to make a career in such offices, and procuring for the city business the benefit of trained public servants. In Cork, for example, there are seven city wards. Each ward elects two aldermen and six councillors, making a legislative body of fifty-six members. It is esteemed a high honor to be chosen to one of these offices, and as a rule the best men in the cities are proud to be chosen. It is readily seen, however, that between the supervision of the local government board and the exercise of customary authority by the practically permanent officials—town clerk, treasurer, chamberlain, collector, etc.—little remains for the city councillors to do but follow the lines laid down by the routine officials and track the parliamentary charters as closely as they can. Here is a wide difference from the Texas city commission plan, where the people elect five men to administer all municipal affairs, with a free hand to manage the public business, unhampered by higher authorities, within charter limits, and responsible for results only to the citizen stockholders in the municipal corporation.

The City of Dublin owns its own water works and electric lighting system. Its gas plant and street railways are privately owned. The water is inferior in appearance to that which we get through city mains from artesian wells in Houston; a glance at a glass of it disclosed so much organic life that I did not taste it. The electric lighting service is not cheaper than that given by a private company in Houston. Advocates of municipal ownership are not numerous in Dublin. This, I gathered from talks with several representative citizens, is not because of any distrust of public ownership as a general proposition, but to distrust of it as applied to Dublin under existing governmental conditions. As folks used to say in some American cities, "there is too much politics" in Dublin. The charter of the city authorizes it to acquire ownership of the street railways at the end of a term of years, but there is little or no demand for such change of control.

The street railway system is the one conspicuously excellent public utility of Dublin. It runs double-decked cars (top deck enclosed on the longer lines), on sixteen different routes. These cars are about one-fourth shorter than the cars we have in Houston. They are very comfortable, propelled by trolley, and run swiftly. Cars on all routes run from three to twelve minutes apart, on most routes three to five minutes apart. Fares range from one pence (two cents of our money) for all trips within a radius of one and one-half miles, up to five pence (ten cents) for the long trips of ten miles into the suburbs. The company's charter was granted by an act of parliament, the act being based upon the terms of an agreement between the company and the city corporation. The charter, granted in 1896 to terminate in 1925, fixed the maximum fare at one pence for all rides inside the then city limits. This distance was nowhere, in 1896, greater than one and one-half miles. Since then the city's limits have been extended several miles and there is a vigorous demand that the one-pence fare be applied everywhere within the enlarged city limits.

Mr. C. W. Gordon, who has managed the system for thirteen years, told me he would be glad to exchange the zone system of fares for the straight five-cent fare charged by American street railways. "We would earn larger profits," he said. "Under our zone system each passenger pays for the service he gets. Under your American plan the short-distance rider pays a part of the cost of transporting the long-distance rider, and the average—there being many more short-distance than long-distance riders—is in favor of the company. Our company pays 6 per cent dividends on its stock, which is mostly held in small blocks throughout Ireland." The company's published fiscal statement for the past year shows that after paying 6 per cent on stock it set aside \$50,000 for renewals, \$5,000 for accident insurance reserve and added \$56,000 to its reserve fund—not so bad for a company which is assessed for taxation on a total income valuation of less than \$80,000.

Transfers are not given on the Dublin trams. They have not been demanded as yet, but there is a lively demand for half-penny fares within the one and one-half miles limit, for workingmen. Children under three years of age pay half-fare; none ride free. It is the chief fault of the zone system of fares that it tends to prevent workingmen from seeking homes in the suburbs and concentrates them with their families inside the crowded one-pence-fare limit. This is fine for the owners of close-in tenements but it is not good for the workers who want lower rents farther out.

The Dublin United Tramways Company pays the City of Dublin a fixed sum per street mile per year rental for the use of streets which it occupies with its tracks. The charter stipulates that this payment shall not be less than \$50,000 a year; last year it exceeded \$60,000. In addition the tram company paid its share of the general taxes. The rate is ten shillings and sixpence, or \$2.52, on each pound (\$4.85) of assessed value. A city tax of fifty dollars on the hundred sounds high, but it is not as bad as it looks, since property in Dublin is assessed

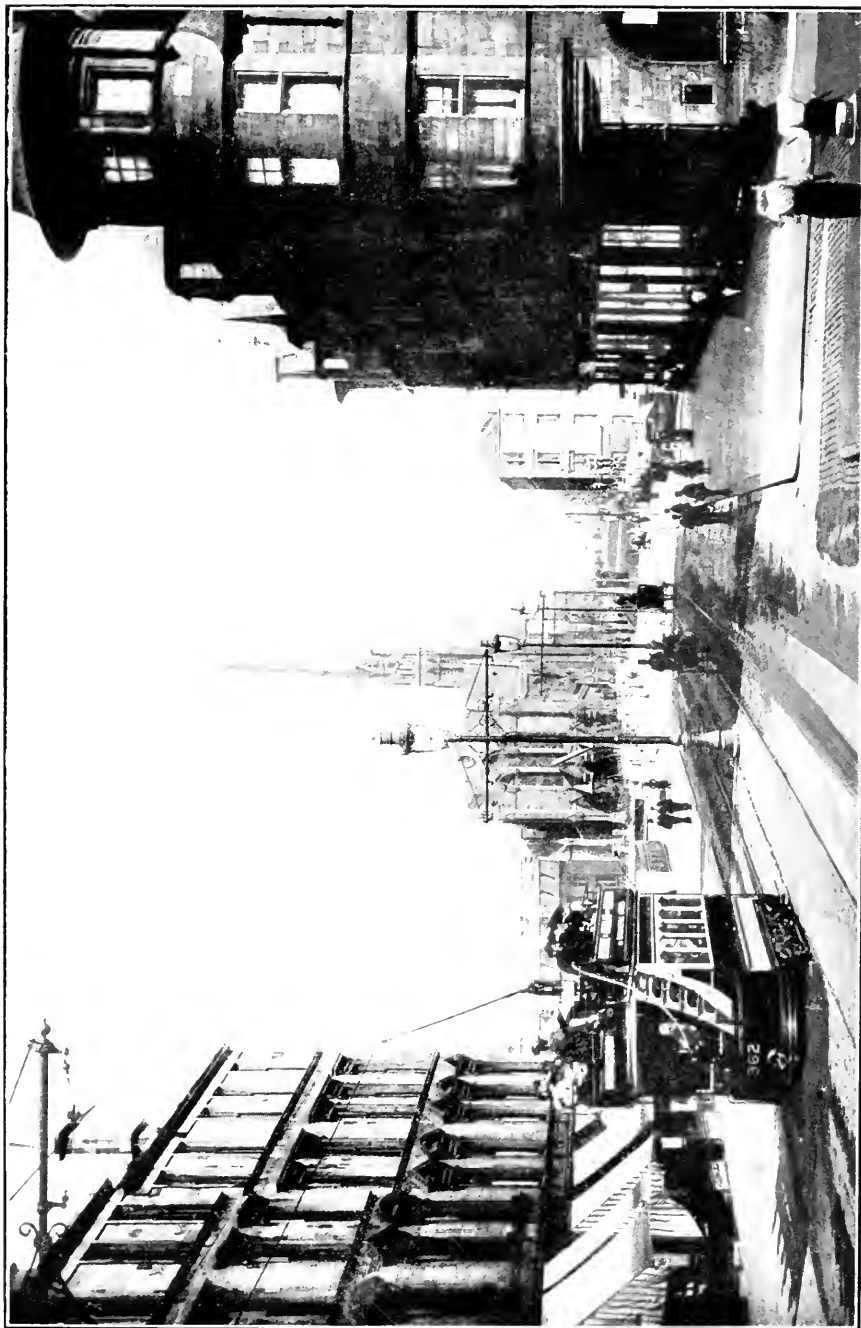
for taxation at an average of only one-fortieth of its actual value. Figured down to an American basis, it is about the same as the \$1.70 on the \$100 rate levied by the City of Houston; and it is to be borne in mind that these old cities have long since completed the huge, costly task of building their underground city foundations, and have now to do little more than maintain them, while Houston, and other young American cities, growing rapidly from a village start only a few decades ago, have to meet, out of their current taxation, the big expense of laying these foundations, plus the normal cost of administration. It strikes me residents of fairly well governed American cities get more for their money, dollar for dollar, than the residents of these Irish cities.

Texas street railway employes will be interested to learn that conductors and motormen here work the first year, with no day off, for 24 shillings and sixpence (\$5.96) per week. Then, if their record for the year is good, they get promoted to 27 shillings and sixpence for the second year, and to 30 shillings (\$7.20) per week for the third year and thereafter. They get one day off in twelve, after the first year. The company provides uniforms, overcoats and raincoats for the men free of charge. It owns groups of cottages situated near its outlying terminals, which it rents to its men at three to five shillings per week, and is building more. These men, the car men, work an average of nine and one-half hours daily. Three attempts have been made to organize a union of the carmen, but without success. As Manager Gordon put it, with unconscious humor, "Our carmen hold themselves a class above the common laborers with whom it was sought to unite them in a national transport union."

It is commonly asserted that the cost of living for workingmen is far lower in Ireland than in the United States; that \$7 a week will buy more than \$14 in the States. I have visited the provision markets and clothing stores in the Irish cities and the prices quoted on the simple necessities of life in those places do not bear out the foregoing assertion. The difference in price of most foods, here and at home, averages less than 20 per cent, and on some items it is in favor of the States. The plain fact is that these workingmen do not begin to live as well or independently as men similarly employed in our country. The burden of supporting many overlapping and often conflicting governing bodies bears heavily upon the working people of British, and particularly of Irish, cities. A distinguished Irish labor leader, formerly a member of parliament, told me the workers of the Irish cities would be glad to have a chance to adopt the Texas commission form of government, so that they might fix responsibility for results upon a few men chosen directly by the people, and get rid of the army of tax-eating place-holders now saddled upon the people without their desire or consent. "We could then," he said, "take up municipal ownership as Glasgow has done, and turn the surplus revenues of the public utilities into the public treasury. As matters stand with us, municipal ownership would probably not give us lower rates or better service and would certainly be made an excuse for creating many new public jobs."







STREET SCENE IN GLASGOW, SCOTLAND, SHOWING THE DOUBLE-DECKED STREET CARS IN USE THROUGHOUT THE UNITED KINGDOM

## CHAPTER IV.

### GLASGOW'S MUNICIPAL PHILOSOPHY.

"We object to anybody growing rich through ownership of a monopoly of any of the necessities of our common life. We do not conduct our municipal services with a view to making profits for the treasury, but with the purpose to give the maximum of service for the minimum of cost. When any public service here shows a profit on operation, after it has earned interest on its outstanding obligations and made its yearly contribution to its sinking fund, we reduce the charges for its service."

In those words, John Lindsay, town clerk of the Glasgow city corporation, stated the principle in pursuance of which Glasgow has carried municipal ownership farther than any large American city, and farther, it is said, than any in Europe.

In dealing with the municipal affairs of Glasgow, I shall be obliged to separate my notes into three articles, lest one tax the reader's patience by reason of its length. In this, the first of the three articles, I shall present main outlines of the theme and some general considerations. In the second article the tramways and other public utilities of Glasgow will be discussed. In the third article the attempt of Glasgow to find a solution of the slum problem will be taken up.

It may be stated frankly, at the outset, that municipal ownership of public utilities is a success in Glasgow—a success tested through many years; as much of a success as commission government of cities in America; a success socially and financially. The people of Glasgow would no more think of abandoning municipal ownership of their public utilities than the people of Houston would of abandoning commission government. In both instances there was strong opposition to adoption of the new system, and in both there has been and is a dwindling minority still unreconciled; but in both instances the new system has won lasting favor with the majority by "delivering the goods."

The city corporation of Glasgow, at this writing, contains within its geographical limits more than 780,000 inhabitants. In November several adjoining boroughs, with 250,000 inhabitants, will be taken into the city, giving a population of more than 1,000,000. All of this population is now served by the water, gas, electric lighting, street railway and other public utilities of Glasgow, so that Glasgow's experiment in public ownership and operation of these services can be said truthfully to have made good under metropolitan conditions.

The following are the public utilities owned and operated by the city corporation of Glasgow :

1. Street railways.
2. Gas.
3. Electric lighting.
4. Water.
5. Parks.
6. Slaughter houses and markets for meat and vegetables.
7. Baths and washhouses.
8. Art galleries and museums and public libraries.
9. Hospitals.
10. Tenements and lodging houses.
11. Police and fire departments.
12. Drainage and sanitary sewers and sewage disposal stations.
13. Farms, on which city sewage is utilized in growing forage crops for live stock owned by the city.
14. Streets and bridges.
15. Public health bureau.

Education is controlled by a separate board, chosen by the people.

The city owned and operated a telephone system, in competition with a powerful British system privately owned, until the national government recently took over the telephone service of the United Kingdom and made it a national monopoly, a bureau of the postoffice department, like the telegraphs. Similarly, Glasgow owned and operated a system of employment offices until this, too, was made a branch of the national service.

The city government of Glasgow consists of a lord provost, or mayor, seventy-eight councillors, three elected from each ward or borough, and the usual complement of clerical and departmental employes, all chosen by the council. Theoretically it is more like a parliament than a city council. Actually, the fact that here as elsewhere in large legislative bodies a few men do the real work is proved by a glance at those pages of the City Blue Book on which appear the names of members of the council's committees. Significantly, it is stated that three members shall constitute a quorum, even though the committee has fifteen or twenty members.

Councillors are elected for three-year terms. They receive no pay for their services. The lord provost or mayor is elected by the council and must be one of their number. He holds office for three years. If chosen lord provost during the last year of his three-year term as a councillor he holds the office of lord provost three years without having to go back to his constituents during that period for re-election as a councillor. He receives no salary. The rule here is to elect only men of wealth to the office of lord provost—men who can afford to spend £10,000 to £50,000 a year in entertaining distinguished visitors, royalty and the like. There is a city fund, the "common good" fund it is called, from which appropriations are made by the council for these purposes when necessity arises. These Glasgow folk trade with the

whole world and are well aware of the value of favorable advertising for their city. Presumably the expense incurred by Mr. Daniel Scrimgeour, who as Mr. Lindsay's deputy, escorted the Houston visitor to the city's big public services in a taxi, and otherwise made the Glasgow visit one long to be cheerfully remembered, will be charged against the city's "common good" fund.

The town clerk, treasurer and other departmental chiefs are by custom, and in order to procure trained service, chosen by the council practically for life. Similarly, in order to insure continuity of municipal policies, only one-third of the members of the city council are elected each year. There is thus always in the council two-thirds of its members acquainted with city policies and committed to them. The Scotch are cautious; they never rock the boat; they take no such risk as of putting an entire new government in charge of their public affairs at one time.

The question of municipal ownership, once a warm issue in ward or borough elections of councilmen, is no longer an issue. Councillors are chosen on national or personal issues. All candidates as matter of course stand committed to maintaining municipal ownership; they differ only in the degree to which they wish the policy carried forward.

Glasgow is an industrial city, a great manufacturing center. It has been built up on factors all of which Houston possesses, namely, plentiful cheap fuel near by (soft coal here; fuel oil and lignite for producer gas at Houston); iron ores easy of access, and a navigable stream down to the sea. Glasgow, as the world's greatest ship building city, uses vast quantities of timber, which her ship builders bring from Norway. No customs tariff stands between manufacturers and raw material; they get it cheaply.

The Clyde river is to Glasgow what Buffalo bayou is to Houston—or can become for Houston. The Clyde is a man-made stream. When Glasgow folk began improving it the Clyde had only enough water to float very small vessels up to Glasgow. Under the guidance and control of the Clyde Trust, which has charge of Glasgow's water interests, millions of pounds have been spent improving the Clyde channel, until today Glasgow yards build the world's largest ships and send them down the river to the sea. The Lusitania and the Mauretania, 32,000-ton vessels, were built here. Sailing up the Clyde from Dublin a few days ago, I passed miles of shipyards on either bank of the Clyde, all busy, all turning out vessels big or little to carry the freight or fight the battles of the nations. In one yard we saw the hull of the Aquitania, the 40,000-ton Cunarder, which will be a new giant of the sea when launched; and it was a comforting thought, for one who has very great faith in the future usefulness of the Houston ship channel, that there was less than three feet of water in the Clyde, before improvement was begun, at the very point where the Aquitania, drawing near forty feet, will be launched, two dozen miles inland from the sea. Glasgow builds 300 to 360 ships yearly. Almost any day one can see a big liner take the water. And the river in which they get their baptism wasn't one-fourth as big, before men took it in hand, as Buffalo bayou was before Uncle Sam spent a dollar on it.

Glasgow has, to be sure (what Houston lacks), an army of skilled workers, with the tradition of technical success in their blood. But Glasgow created this army here at home, just as she made the river, and Houston can do the same, by adopting Glasgow's methods. Glasgow long since recognized that public education confined to the head alone would not insure her prosperity. Today more than 17,000 men and boys, employed in the industries of the Glasgow district, are being given special education for their several callings in the so-called continuation schools maintained at public cost. Some attend night classes; more attend an hour or two during the day, with the consent and co-operation of their employers, who realize the truth that human skill is worth more than any amount of rich raw materials in building up and holding industrial leadership for a city.

The one outstanding fact in any contrast between the condition of the workers here and at home is revealed in the plan of assessment for taxation. At home we assess property on its sale value. Here in Glasgow real estate is assessed on its rental value. The last assessment of Houston's real estate—as I recall it—totaled above \$90,000,000. The Glasgow papers a day or two ago published the new assessment for Glasgow, totaling £6,000,000, or less than \$30,000,000. This, however, is rental value—the amount of rent the property assessed will or should earn in a year.

This method of assessing property means that in Glasgow—and in all the other chief cities of the United Kingdom—the very great majority of the people have no hope whatever of becoming owners of the homes they inhabit. They must look forward to paying rent, either to a private estate or to the city, as long as they live. In Cork, Lord Mayor O'Shea told me 95 per cent of the people pay a double rent. That is, the land is owned by one man, the house by another who has leased the land for anywhere from 100 to 500 years, and the tenant's rent is calculated to pay liberal interest on both investments. A Glasgow city official told me the condition here is almost, if not quite, as bad as in Cork.

These facts explain why the rich landholders in Scotland hate the single tax theory worse than they do the ordinary "sins of the flesh" (and the Scotch are a very religious people); and it explains also why the progressive city government of Glasgow was forced many years ago to undertake through municipal ownership a solution of the problem of housing the poor who bear the burden of this eternal land monopoly. The progressive policies which have made Glasgow rich and famous were not formulated by the land-holding class, but by the more alert manufacturing and commercial groups of society.

The city corporation of Glasgow is far and away the richest property owner within its limits. From the corporation balance sheet last issued I learn that the city corporation's assets total £24,596,045, or approximately \$122,980,225—all public property. The city corporation's debts on this property total £16,601,187, or approximately \$83,005,935. Its sinking fund created to pay off these debts totals £8,151,168, or approximately \$40,755,840. This leaves a net debt of \$42,270,095, on properties worth \$122,980,225, or net assets totaling

\$80,710,130. These assets (including as they do a large amount of real estate which steadily increases in value, and a wide range of revenue producing public services, nearly all of which are self-supporting, several of which earn a yearly profit and all of which gain in value with increasing population), are gradually paying off the debt incurred for their purchase. They provide better and cheaper service for the people than was to be had under private operation of the public services. They promote the general health. They stimulate payment of better wages in private industries by raising the standard of living among the workers.

But they do not go to the root of Glasgow's problem, since every time the city tramways reduce fares, or the city gas works cuts the price of gas, the small number of large estates which own thousands of tenements can raise rents to absorb these savings. And I'm told they do.





## CHAPTER V.

### GLASGOW'S MUNICIPALLY-OWNED PUBLIC UTILITIES.

Glasgow, Scotland.—Like Houston's municipally-owned water works, Glasgow's municipally-owned street railways give better service, at lower cost, than was given by the private owners from whom the two cities acquired the properties. Further, in both instances the municipally owned public utility not only gives better service at lower cost, but also, after earning its operating cost, and providing each year for its own bonded debt, turns a surplus into the general fund. In the case of Glasgow this is known as the "common good" fund.

Yet Mr. John Dalrymple, general manager of the Glasgow corporation tramways, said to me:

"Your city, enjoying a five-cent fare with universal transfers, and the excellent service for which the Stone & Webster Syndicate is noted, is doing as well, with respect to tram service, as any American city can expect to do. Doing very well indeed."

Mr. Dalrymple was keenly interested in my brief recital of the large-scale development in the Houston-Galveston district. He has visited America and studied the political organization of our cities. The movement for public ownership of street railways in Chicago, which resulted after years of struggle in vast improvement of the privately owned service, and the payment to the city of a large yearly revenue for the use of its streets was greatly stimulated by a visit Mr. Dalrymple paid to the Chicago city government a dozen years ago. He told them frankly that Chicago could not hope for any betterment through municipal ownership, so long as the affairs of the city should be controlled by groups of professional politicians struggling for the spoils of office.

Mr. Dalrymple was keen to learn about the commission form of city government. Its adoption of the private corporation principle of concentrated authority with direct responsibility appealed to him as a business man and an executive. And, believe me, John Dalrymple, judged by his works, is a great executive.

"Your compact central government," he said, "is free to employ technical experts to manage its departments?" he inquired.

"That is as it should be. The people's business, like any other in our day, calls for skilled specialists."

Mr. Dalrymple showed me through the shops attached to the Glasgow tram system—shops in which the city's cars are made and repaired. In these shops 500 men are employed. The system entire employs 5,400. Men in the shops are all on piece work. They earn the

standard wage of the district in their several trades, but the shops are not closed against non-union workers. The carmen—conductors and motormen—get 24 shillings (about \$5) weekly the first year—plus free uniforms, overcoats, etc., and in four years rise to the maximum of 33 to 35 shillings.

Eighteen months ago, Mr. Dalrymple said, the system had its first strike. On a Friday night the carmen assembled and voted unanimously to demand higher wages and shorter hours. Saturday morning only a few cars were taken out and these were stoned by strikers and by the hoodlum element in the city. The council committee on tramways met and resolved to leave the situation in the hands of Mr. Dalrymple. He served instant notice on the strikers that if they did not at once return to work their places would be filled—and the cars were all running as usual within the time he fixed. Three hundred and fifty of the strikers lost their jobs, these being the men, Mr. Dalrymple said, who were most active in organizing the union and in attacking the cars. Mr. Dalrymple's curt account of the crushing of this strike made it clear that it is a more serious undertaking to coerce a public than a private employer.

However, since that strike the system has quietly granted most of the demands that were made by the men. They now—thanks to an order of the city council—work only eight and one-half hours daily six days in the week, and these eight and one-half hours, divided into two shifts, are brought within twelve hours of elapsed time in most cases.

The system has 196 miles of track in Glasgow and the surrounding towns and operates 850 cars. All of these cars are double-decked, most of them having the upper deck enclosed. This type of car is the standard. It seats sixty-six passengers—and by the way when the seats in a Glasgow street car are all filled, no more passengers are admitted. Your carfare in Glasgow buys a seat, not standing room.

Fares range from a half-penny (one cent American money), for an average of a mile ride, up to sixpence for the longest suburban trips. The average cost of the service per passenger during the year ending May 31, 1912, was .508 pence, or a trifle over one cent of our money. Mr. Dalrymple said the recent reduction of the minimum fare from one pence to a half-penny would cut heavily into the surplus earnings of the system, since the large majority of all fares are for the shorter distances.

The finances of the system are exhibited in the following report on income and expenditure for the year ending May 31, 1912:

“The result of the year's working shows that the ordinary income amounted to £991,073 (\$4,955,375), and the working expenses to £582,639 (\$2,913,195), thus leaving a net revenue of £408,435 (\$2,042,126). The ordinary income of the previous year was £949,488, and the working expenses £533,178, leaving a net revenue of £416,309. After adding interest on investment and rent of lines let to Dum-

barton Burgh and County Tramways Co., Ltd., the net revenue of £458,207 has been applied in meeting rental of Govan and Ibrox tramways, payment to Paisley District Tramways Co., interest on capital, sinking fund, income tax, parliamentary expenses, and amount carried to depreciation and permanent way renewal fund, these sums amounting in all to £406,129. The net balance amounting to £52,067, falls under Section 30 of Glasgow Corporation Act, 1909, to be paid over to the Common Good."

In the tabulated statement it appears that the Glasgow City Tramway System paid £13,027 (\$65,133) of national income tax during the year, that it paid £75,092 interest on borrowed capital, £93,863 to sinking fund for same account, put £128,072 in its depreciation fund and £85,631 in its permanent way renewal fund, and after meeting all charges of every character had a clear net surplus of \$260,133, to turn over to the Common Good fund.

Municipal ownership of tramways is no new thing in Glasgow. From an official publication I learn that "The first tramway in Glasgow was constructed by the corporation, and opened on 19th August, 1872. From 1872 to 1894 the lines were leased to the Glasgow Tramway and Omnibus Company. On 1st July, 1894, the corporation commenced to operate the tramways as a municipal undertaking."

The water, gas, electric lighting and market departments are the other chief revenue producers for the City of Glasgow. In the year ending May 31, 1912, the markets department showed revenue £37,743; expense, £37,515; surplus, £227. The markets department controls three public markets and four or five slaughter houses. The main slaughter house is situated in a thickly settled portion of the city, yet so clean is it kept that one passing near it would not be aware of its existence. Within this main abattoir are pens for 15,000 sheep, and facilities (the most modern and efficient) for killing 1,800 cattle, 5,000 sheep and 2,000 pigs daily. The city does not buy or sell the products. It merely provides facilities for doing the work, inspects all animals brought in to be killed and all meats offered for sale, and rents its stalls to private individuals and companies at rates which enable it to pay cost of operation, while safeguarding its people against pestilential odors and infected meats. This service is regarded in Glasgow as one vital to the public health.

The water works, with £259,450 gross revenue for the year, paid operating cost, sinking fund and interest charges, carried £12,674 forward as surplus, to meet interest and sinking fund on new works in progress. Citizens of Glasgow buy city water (clear cold mountain water it is) for fourpence on each pound of rent they pay yearly. If a working man occupying two or three rooms in a tenement pays £15 a year rental, his water rental will be four times that many pence, or \$1.20. The water supply is not metered. To large consumers—factories, railroads, etc.—the rate is one pence per pound of annual rental. To suburbanites who get city water the charge is tenpence per pound

of yearly house rental. Their desire to get the reduction to fourpence per pound was one of the causes that popularized the movement for the annexation of several outlying burghs, which will take place in November (1912), adding 250,000 to Glasgow's population.

By the way, there was no vote of the people on this annexation, either in Glasgow or in the towns annexed. Glasgow asked the British parliament for an act permitting her to swallow her smaller neighbors, and after some spirited arguments before committees parliament passed the annexation act.

Gas for lighting and cooking sells for 22.52 pence (45.04 cents American) per thousand feet. It cost the city one pence less per thousand feet to make and deliver the gas in the year ending May 31, 1912. That one pence per thousand feet profit enabled the gas department, with a gross revenue of £924,102 (nearly as large as the street railways), to put aside a net surplus of £27,503, after meeting all charges. The preceding year the city spent 45 cents American to make 1,000 feet of gas, and delivered it for 46.74 cents per thousand. Gas is popular for heating and cooking in Glasgow, both because of its low cost and because the city gas department supplies heaters and stoves free of cost to its patrons. It figures the cost of the stoves into the cost of the gas and is able after selling gas cheaper than any American householder buys it to throw in the stoves as a special inducement to burn its product.

Glasgow's gas and electric lighting plants are competitive. The electricity department, on gross revenue of £276,659 for the year, met all charges and carried £6,524 to surplus, which now totals £34,870. The "board of trade unit" is the basis of current measurement I am told; here the rate is very low, about 50 per cent of the average in American cities. The official reports of the Glasgow city departments, recently placed on file in our Houston Public Library, will afford interested persons opportunity to scrutinize details expertly.

Glasgow has a police force of 1,800 men, who serve in three shifts of eight hours per day so arranged that no man works more than six days a week.

The fire department will have 200 men when suburbs are annexed in November. They work six days weekly, but of course are subject to call for special service in an emergency. The department provides free housing with free light, heat and water for all its firemen, in its own buildings. Their wages run from 24 shillings weekly upward. This department maintains its own shops in which it makes and repairs all its equipment except its big motor combination fire engine and ladder trucks, of which it has seventeen. No horses are used in the department. Fire losses in Glasgow, as in other European cities, are trifling compared with losses in American cities, due to the fact that over here stone, brick, concrete and other non-burning materials are used in place of wood in building construction.

Summed up, the balance sheet of the Glasgow city corporation shows it to be a going and a paying concern, providing the necessaries of community life to its citizens more efficiently and cheaply than these were formerly supplied by private enterprise. Beyond this the city corporation, through its city improvement department and its municipal lodging and tenement houses, is using surplus earnings of its revenue-producing services in an attempt to eliminate the slums.

Glasgow's city managers believe city slums are due to private monopoly of the necessaries of life. They believe a city which owns and operates its public utilities can and should mitigate if not wholly abolish the evils of slum life. To this end they are working under the steady pressure of intelligent public opinion.

My third and concluding article on Glasgow will deal with this work.



## CHAPTER VI.

### GLASGOW'S BATTLE WITH THE SLUM.

Glasgow, Scotland.—Glasgow's battle with the slum began in 1866. That year parliament created the Glasgow City Improvement Trust. The conditions which led to this action were stated in the preamble of the act creating the trust, as follows:

“Whereas various portions of the City of Glasgow are so built, and the buildings thereon are so densely inhabited, as to be highly injurious to the moral and physical welfare of the inhabitants, and many of the thoroughfares are narrow, circuitous and inconvenient, and it would be of public and local advantage if various houses and buildings were taken down and those portions of said city reconstituted, and new streets were constructed in and through various parts of said city, and several of the existing streets altered and widened and diverted, and that in connection with the reconstitution of those portions of the city provision was made for the laboring classes who may be displaced in consequence thereof,” etc.

In short, land monopoly, high rents, want of cheap transportation to enable wage workers to find homes beyond walking distance from the shops and stores they served in, created in Glasgow, as they have done in all our big American cities, slum conditions. I am told the old slums of Glasgow were the worst in the world. Those which remain are bad enough; it would not be easy to match them outside of New York. But the City Improvement Trust of Glasgow, honestly trying to better the living conditions of the worthy poor, has done some good and will doubtless be able hereafter, as the funds at its command increase, to do more despite the fact that it can not remove the chief source of the slum, which is landlordism.

The trust has bought for the public several tracts of land in the most densely populated sections of the old Glasgow slums. It has torn down the old buildings (in which, to enlarge owners' profits, little or no provision was made for light, ventilation or sanitation), and has erected new buildings in which these essentials to sound health are assured. It has erected and operates seven big lodging houses, for both men and women wage earners. It has widened and opened to the cleansing sunlight numerous narrow, tortuous, pestilential alleys which were hotbeds of crime and disease, and it has done these things so as to procure not alone the profit of social amelioration but a direct financial gain as well.

Incidentally, it has gained knowledge of human nature. It has learned that while a majority of the poor of Glasgow will eagerly accept any betterment brought within their reach by social action, there is a considerable minority which has through generations of slum breeding sunk below the level of self-respect and which will therefore not make use of the new improvements. The city's model tenements and its lodging houses do not lack for tenants, at profitable rentals, but that element of society which had most need of a change to decent living conditions has refused to enter the new places. Where the trust tears down a reeking old rookery and replaces it with a clean, new, modern tenement, the occupants of the rookery flee like rats to other hiding places of the old sort.

It is the inevitable working of the social law of compensation: strong individuals of earlier generations, housing their inferiors for profit in tenements unfit for habitation, have created in the slow course of years a slum type, which breeds like rabbits, produces no wealth, lives in squalor by beggary and crime, and constitutes a heavy and an increasing charge upon the sons and the grandsons of the original exploiters.

One night in August I rode on the "rubber neck" wagon through the Bowery and Ghetto districts of lower New York. The guide in sing-song megaphoned his trite tale to us, and I paid little heed to it until, as we passed opposite a small park, I heard him say:

"This is —— Park. It was formerly the site of slum tenements, in which 5000 little children died of tuberculosis. During the time when Colonel Theodore Roosevelt was Police Commissioner, and on his initiative, the city bought the land, tore down the tenements and made this park, which is now a breathing spot and playground for thousands of the children of this district."

Slums, in a word, are created to make private profit. They in turn create a slum class, which becomes a charge upon the whole community. The slum in its physical aspects, as Glasgow has learned, can be abolished (at heavy cost to the community, and especially to the heirs or successors in ownership of those who for private profit created the slum); but the slum class remains an even greater problem and menace than the slum buildings.

Here in Glasgow the improvement trust has cleansed some of the city's worst slum districts, but it has not reformed nor benefited any but a few of the slum class. These folks have fled before the trust to new haunts of the old character. Apparently the only way a city can get rid of its slum class is to buy up and abolish every piece of property of the kind they prefer to live in, driving them finally out of the city, since they will not (or can not) inhabit decent tenements on the terms offered by the community.

Houston and the other cities of Texas have not yet got any real slums. In view of the experience of Glasgow, New York and other cities, it seems highly desirable that the governments of Texas cities shall adopt and enforce such building regulations as will forever prevent the creation of slum districts within their borders.



Houston is destined to become one of the world's greatest cities. That fact is recognized not only in Houston but in places far distant from Houston. It is within the power of the people who are now in Houston laying the foundations for the future great city to forestall some of the costly and socially destructive evils which through blind private greed and social neglect have grown up in older cities to burden and perplex them. Among these preventable evils the slum is the worst and most costly. Here is where a ton of prevention will cost less than an ounce of cure and an ounce of prevention do more good than a ton of cure.

The most uniformly quiet, peaceful, industrious, prosperous and orderly cities are those in which the largest percentage of wage earners own the homes they live in. Milwaukee is typical. Years ago, in Milwaukee, thousands of German working men walked two to three miles to and from work, morning and night, to save carfare. They were buying little homes. They practiced the old-fashioned self-denial and got homes. The average wage worker in any Texas city can get a home on even easier terms. Our American system of carfares—five cents for any distance traveled within the city—encourages workingmen to leave the crowded inside districts, and to get homes where ground space and pure air are cheaper.

Here no such hope is held out to the workers. Their wages as a rule are little if any above the level of bare subsistence. The land is monopolized, most of it is leased for very long terms, and very little of it is for sale in small tracts. This indeed was one of the first things that impressed me in reading British newspapers, namely, the almost entire absence of land for sale advertisements. The big London dailies carry a few announcements of large estates which have been put on the market in consequence of the death or bankruptcy of owners, but almost no small homes, in city or country, are offered for sale.

The Glasgow working man, therefore, being condemned to pay rent to a landlord all his life, has not the same incentive as Houston workers have to get out into the suburbs, away from the noise, dirt and crowding of city centers. The Houston worker, in order to get his own roof over his family's head, will forego the night lights and make the longer morning and evening journey to his work; whereas in Glasgow, I am told by men in authority, it would be useless for the improvement trust to erect model tenements in the suburbs, for the reason that the workingmen would not go out there to rent them. They lack that most powerful incentive—ambition of ownership.

So they continue to live in the crowded city, and the best that can be done for them under Glasgow's program of municipal socialism is to provide them with sanitary living conditions in publicly owned tenements which (because of high land values) are only a little less crowded than the old rookeries privately owned.

A very large majority of the families of Glasgow live in two-room and three-room tenements. Even the city's so-called model tenements are mostly divided into two-room apartments, one of the two rooms being a kitchen-bedroom, the other a bedroom-living room.

It is precisely because of these conditions that a little group of daring single taxers, led by Lloyd-George, has been able to seize and hold the leadership of the great Liberal party, which now governs Great Britain. Premier Asquith and others of the ruling class who can see the drift of the time realize that the monopoly of the land held under entail and feudal leaseholds for centuries by a few thousand families must somehow be broken down to afford a field of opportunity for enterprising and self-denying workers who desire to become their own landlords. The alternative obviously is a farther advance toward state socialism, with a strong bureaucracy in control, suppressing wage strike disorders (as we have seen in Glasgow) even more vigorously than private employers have done. And here as elsewhere the demand for state socialism evidently does not spring from the natural instinct of the workers, but is their only available weapon of defense against endless rent exploitation by a small, powerful class of hereditary and law-protected land monopolists. It seems to be the case that the workers, finding they must surrender ancient individual privileges, choose to surrender them to a bureaucracy ostensibly at least of their own election, rather than to hereditary landlords.

The moral of this old-world experience for our new-world city builders and legislators is so plain it need not be stated here.

As for details of the Glasgow municipal housing enterprise, these can be obtained, by any person interested, from the official documents which I shall send to the Houston Public Library. It has seemed to me to be better worth while, in preparing this brief paper, to present main outlines and some of the chief meanings of the situation, than to tax you with a mass of statistical information.

## CHAPTER VII.

### LONDON, THE WORLD CAPITAL.

London, England.—Mr. Harry Selfridge, formerly manager of the Marshall Field retail store in Chicago, the greatest in the world, and now chief proprietor of the greatest department store in London, states that within a circle of twenty miles in diameter, drawn with his store as its center, over 8,000,000 human beings live and work.

London, the world's greatest city, is not one city, but a group of twenty-seven cities and towns shoulder to shoulder, each within its own limits maintaining its own municipal government, all collectively subject to governmental control and supervision, first by the London County Council, second by the British national local government board, of which the Rt. Hon. John Burns, erstwhile fighting labor leader, is chairman.

One would need not six months but six years to learn thoroughly the whole complex network of municipal administration in Great Britain. I had six working days on the ground in London. Men, who, because of their official station, and the British precedent to the contrary, are never interviewed by the press, admitted me to ask questions, as the official representative of an American city, and tried patiently to make me see and understand the main outlines of British municipal administration.

I have reason to believe the general letter of introduction which Eugene V. Debs gave me to the radical leaders of Europe was influential in opening to me some doors which might otherwise have remained closed against my inquiries. For example, a leader of the powerful socialist group in the German reichstag, whom I was introduced to at the international municipal congress at Dusseldorf, discovered some interest in my mission when he learned I had a letter from the American leader of his party.

London, because it is not one city but a group of cities, has lagged behind other English cities in adopting municipal ownership. At home we are accustomed to hearing our conservatives deride municipal ownership of public utilities and especially the suggestion that the municipality ought to own model lodgings for poorly paid workers, as "socialistic."

Over here one speedily learns that these "socialistic" advances have been made by or under the guidance of the conservatives. I find in this day's London Daily Telegraph an article written by Sir John Bann in defense of the tramways (street railways), which are owned and operated by the London County Council.

In this letter (a reply to a public statement made by Sir William Treloar) Sir John makes more clear than any wandering foreigner could hope to do the facts concerning the results of municipal ownership in British cities.

I quote the following paragraphs:

“Since the municipal corporations act of 1835—the advantages of which were, alas! denied by the old city to Greater London—the cities of the provinces have uniformly adopted this principle: that services partaking of the nature of a monopoly and particularly affecting the use of the streets shall be removed from the purview of the financier and the company, and carried on by the people themselves for the common good.

“Experience shows that this rule has greatly benefited the traders within those urban areas. In cities thus equipped—i. e., the water, lighting, power and trams conducted on Birmingham lines—private enterprise has gone ahead by leaps and bounds and the cost of municipal government all round is much less than in dismembered and blundering London.

“In Birmingham local government (apart from the poor law) costs 43s 2d per head per annum; in London it costs 63s 9d. The ‘night population’ answer to this startling fact, strengthens my statement, for Birmingham shows exodus figures of 60 per cent, against London 51 per cent.

“So we pay for the inferior local amenities of London £4,500,000 a year more than does Mr. Chamberlain’s well-ordered city. Manchester, Birmingham, Sheffield, Leeds, out of water, gas, electric lighting and tramways, transfer to relief of rates (reduction of taxes) an average of no less than two shillings in the pound, and they all charge less than the old company prices.

“A like relief to London—which should be, and is, the El Dorado of such enterprise—would mean over £4,000,000 per annum. Sir William, after the ‘moderate’ manner, dubs all such efforts ‘socialism.’ If he inquires he will find that the ‘municipal trading’ which he so condemns, is mainly carried on—as in Birmingham—by conservatives, and they don’t call it ‘socialism.’

“One would imagine from his article that the wicked progressives were responsible for his *bete noir* wherever it showed its head in London. This is by no means so. It was the conservatives, under the act of 1898, who gave the borough councils power to set up isolated municipal electric light undertakings.

“And the same party refused to grant London County Council the power to supply the necessary electricity in bulk wherewith to make these undertakings successful. What is the result? Today London is producing in piecemeal fashion by borough council and company 212 millions of units at cost of, roughly, 1¼d; while we are producing at Greenwich for our tramways the same article at ¼d a unit. So we see that 212 millions of pennies (making £800,000) are annually thrown away in the production of this necessity of commercial life.

“Sir William is gravely concerned as to the financial stability of the council’s tramway undertaking. As to finance I can not do better than quote the statement made by the present chairman of the finance committee, Mr. R. C. Norman, an eminent moderate, when he presented this year’s London County Council budget.

“He said of our tramway undertaking: ‘It is at present in a sound condition. It provides all working expenses; it pays the interest on the money raised for it; it is building up an adequate renewals fund; it is repaying year by year large amounts of borrowed capital; and, beyond all this, it is able to put aside something to a general reserve fund. This can not but be regarded as a satisfactory state of affairs. No company-managed tramway could have such a record.’”

Each London tramcar in service (publicly owned, mind you) pays 192 pounds, or nearly \$1,000, a year from its earnings in taxes to the several cities, to the county and the nation, most of this amount being used for maintenance of municipal charges. The motor omnibuses pay no such public rates; they pay \$200 to \$250 a year petrol tax (which is collected by the national government) and use the city streets free of charge.

The main point of all of this, quite aside from ownership and taxes, is the apparent probability that in large cities throughout the world the motor omnibus will in large measure supplement and supplant the tram, as being cheaper and more efficient—a distinct advance in urban transport.

It seems to me likely to make the problem of urban transport, ultimately, one of paved streets rather than of steel tracks. The growing city which fails to give intelligent consideration to this new development of city passenger traffic is liable to find it has overlooked a very important bet.

In London I visited some municipal works, the slums celebrated throughout the world, the public parks, and was especially interested in the way the problem of city transportation has been worked out, since transportation, with 8,000,000 people living on less than 400 square miles of land, is inevitably the hardest problem to solve.

I found the celebrated slums, with Petticoat Lane at their center, far less forbidding in external appearance than many slums in American cities. For one thing, most of the buildings in these slum streets, lanes and alleys are only two to four stories high; the air has a free sweep through them, the sun shines into them (when it shines at all on London), and all these slum highways are paved with rock or asphalt and kept clean by city workmen. Large public parks are near the worst of the slums, and in these parks, on one sunny day, I counted over 100 men lying at length on their backs on the grass, sleeping.

My guide informed me they were “out-of-works,” most of them, men who lacked the price of a lodging and probably of a meal. The fact that they were permitted to sleep in the public park struck me forcefully; since in most American cities such men are expected to sleep standing or to snatch a nap while “moving on” at command of a well-fed policeman.

That feature of London life which seemed to me most significant, from the point of view of a student of municipal services, was the motor omnibus system. The trams, owned and operated by the London City Council, have never been able to obtain from the City of London (that small municipality which is at the heart of the vast group of sister cities constituting the world's metropolis) a franchise to lay rails and run cars there.

Thus the public tram system is unable to deliver its passengers from suburban districts into the heart of the great city, where scores of thousands of them have their daily work. Crippled thus, the tram system has, nevertheless, as Sir John Benn points out, been able to give a service unmatched in volume, and seldom surpassed in cheapness, while at the same time it has thus far kept financially sound.

The London General Omnibus Company, operating over 2,400 big double-decked omnibuses, motor driven, is privately owned. Its cars, each capable of seating about forty passengers, have several advantages over street cars. The omnibus comes to the sidewalk, at fixed intervals, to take on and discharge its passengers. They thus avoid the hazard of going to the middle of a crowded street to enter a tram. When traffic blockades a street and the tram is forced to halt for two or five minutes, the omnibus, not being confined to a pair of rails, either worms its way through the jam like an ordinary motor car or it circles around the block and gets forward without delay.

The owners of the motor omnibus are spared the vast initial capital outlay for trackage and power houses, trolleys and other necessities of tram traffic, and thus have no need to earn interest upon such investment.

All they need is a system of good, permanent roads and streets to run on, the same as a farm wagon, a carriage or an automobile. It is a fact, I think a very significant fact, that during the first ten months of 1912 the earnings of the London General Omnibus Company showed a gain, over the same months in 1911, of £594,000, or almost \$3,000,000, while the earnings of the municipally owned tram system during the same period showed a decline of several thousand pounds as compared with 1911.

The omnibus company's gain was due in large part to extension of service, many new cars being put on, but it goes without saying that the service would not have been extended, with private capital footing the bills, unless it had made good as a service and as an investment. There is no denying the superior attractions of an omnibus over the tram. Moreover, the omnibuses have been given permission by the several cities which constitute the metropolis to run on any, or almost any, street which they may wish to use, whereas the trams are confined to relatively a few streets.

I rode away out into the country, in several directions, on omnibuses, for a maximum fare of eightpence, or 16 cents, each way. Riding atop of an omnibus one gets a perfect view of the city and the people,

gets fresh air, gets a sense of free motion not obtainable in a tram confined to a track, and, above all, escapes the grinding racket inseparable from the operation of heavy, iron-wheeled cars over steel rails.

John C. Mitchell, secretary of the London General Omnibus Company, informed me that the cost of a motor omnibus is "in the neighborhood" of £700, or about \$3,500; that the fare averages something less than one penny (two cents American) per mile.

He did not give me desired information on the cost per mile per passenger of operating the omnibuses, but the fact that the two cents a mile charged for riding enables the company to extend its service so rapidly, and the further fact that the stock of the company is rising in market value almost as rapidly as its service is extended, despite the public tram competition, indicates very clearly that there is a considerable margin of profit for the company in the two cents per mile.

During September the London papers published many articles discussing the competition of privately owned omnibuses with publicly owned trams. It has been freely predicted that the public tram system would have to be abandoned, as a dead loss, because it could not compete with the omnibuses.

This is, of course, absurd, because traffic in London is subject to frequent congestion, even with all the marvelous service of trams, omnibuses and the vast underground tube system, which collects hundreds of millions of fares each year and bears one at express train speed long distances below the level of the city.

Defenders of municipal ownership—and these include not only or principally the radicals, but also some of the strongest conservatives—retort by saying it may become necessary for the London County Council to take over the motor omnibus service, and make it an adjunct of the tram system, for the public rather than for private profit.

This probably is what will be done, after the conservative British mind has been satisfied that the private citizens who first made the omnibus service available have been fairly compensated for their enterprise and their courage.

This letter, written looking backward toward London after the writer has spent twenty days in half a dozen German cities, must conclude with the observation that British cities—or rather the British central government, which largely dominates the administration of British cities—are making rapid progress in an attempt to catch up with the advances made by the cities of Germany during thirty years past.

The letters dealing with German cities, coming next in order, will emphasize, probably, this the chief lesson which American cities seeking efficient government have to learn in Germany: that they must somehow procure continuity of administrative policy; must obtain the service of trained municipal experts; must make it possible for such men to look forward to life careers in such service, well paid and sustained, as they are in Germany, by honorable traditions and public confidence.





## CHAPTER VIII.

### THE INTERNATIONAL MUNICIPAL CONGRESS IN DUSSELDORF.

Dusseldorf, Germany.—This place is commonly termed “the model city of Germany.” It is one of a group of large cities, separated from each other by only a few miles, which owe their rapid growth and prosperity to the development of the German steel industry in the north-western quarter of the empire. During the last week of September Dusseldorf entertained an international congress of municipalities.

There were present more than 350 delegates from large cities throughout the world. The convention was incidental to the Pan-German municipal exposition, which was in progress in Dusseldorf during the summer and autumn of 1912.

This exposition was fairly stunning in its exhibition of the modern art of procuring, on small bits of city land, the maximum of housing space, of light, air, grass, shrubbery, trees, view—in general, of individual comfort plus social charm.

Here were scores of models, in relief, of German cities, with every street, every building, every wall and gateway, reproduced in miniature. In these models was exhibited the transformation of mediæval towns into modern cities.

Dusseldorf’s slow forward march of more than a thousand years to the last quarter of the Nineteenth century could be read in the miniature representation of the city far more readily than in any printed page. City planning was the chief theme of the exposition.

The tremendous event of our time is the vast migration, common throughout the civilized world, of uncounted millions of people from the farms and villages into the cities where capital, utilizing inventive skill, has assembled the huge machines of modern collective industry.

America and Great Britain have done little, as yet, through their governmental agencies, to control the conditions of this migration, or to protect the mighty army of farm and village folk against untoward treatment in their new environment.

In the English-speaking countries the change has been allowed to be controlled by the law of private profit almost exclusively, with little or no regard for the welfare of the individual worker or for the orderly development of the city.

With us, where individual initiative in the organization, location and development of industries and in planning new city additions, are virtually unrestricted by any controlling municipal intelligence, there has been a larger and freer field of opportunity for individuals to rise from

poverty to affluence and power, but there has been, on the other hand, a lower average of health and comfort for the masses, employed in these industries, who lacked ability to lift themselves above the general level of useful wage labor.

Taking the larger American cities collectively, and it is a moderate statement of truth to say that in these cities at least three or four million men, women and children wage earners, decent, industrious people, are housed under conditions so adverse to their own health and to the social welfare than these conditions would not be permitted to exist in any modern German city longer than it would take for the municipal government to condemn the land, tear down the houses and erect new buildings better fitted for human habitation.

Germans, in short, have been first among civilized people to recognize that with the passing of hand tools, used by their owners in small shops in villages and on farms, and the rise of huge industrial machines in factory cities, a new set of human problems was presented for solution.

And the Germans, with characteristic thoroughness, have advanced far beyond any other people in finding a solution for this problem—the problem of providing an environment for the vast army of factory workers, in their new city homes, which should assure their efficiency as wealth producers by assuring to them healthful living conditions.

Probably had the Germans been, like the Americans, a nation of political equals, with universal manhood suffrage, electing city governments new every two years, with a newspaper press (too often serving selfish private interests), and enjoying extraordinary freedom to make and break those city governments, they would not have done much if any better than we have done.

It is pretty clearly apparent that government, in any land, any time, is and must be the reflex of the character, the temperament and the political status of the people.

With vastly larger individual political freedom than the Germans, the American has made a rank fizzle of modern city building as compared with the German. Here even more than in Great Britain government is the concern of a ruling class; it is handed down to the rank and file of the people, paternally.

We could no more adopt the system under which the Germans have obtained such wonderful results in city building than we could all fly to heaven in a group at a given signal.

We Americans have the kind of government (subject to frequent slight modifications) that we want and as good government as we deserve. Under the German system, government, and especially municipal government, being a profession, for which men of the upper classes undergo rigorous special training and serve long apprenticeships, the man of the rank and file has little or no incentive to ambition in this field.

He takes what is given to him and asks few questions. He enjoys the blessings of that form of government which has, unquestionably, been described as the best, namely, benevolent despotism. City officials in Germany, from lowest to highest, are not public servants, but public officials. The suggestion that they are public servants would be indignantly resented. They govern, and if they also serve it is as a father serves his children.

While we Americans can not hope to, nor should we wish to, transplant paternalism to our soil, we can, and should, learn from German cities many valuable lessons in planning and administering municipal services.

America was represented at the international municipal congress in Dusseldorf by only four men—three from New York, one from Houston.

The New York delegates were Messrs. Bruere and Sheppardson of the bureau of municipal research, a privately endowed institution which is doing a most valuable work in studying and reporting upon the government of American cities, and by Mr. Frank Koester, a consulting engineer, who read a paper on "City Planning in America."

It is my deliberate judgment that at least fifty of our large American cities ought to have been represented at this congress by their best engineering experts; Houston should have been represented, not by a journalist ignorant of engineering, but by a technical man competent to grasp, assimilate and bring back home the essential features of the exhibit displayed in the exposition, and of the addresses delivered in the sessions of the congress.

Nevertheless, while unable to perform this service for my city, I feel that my attendance on the convention and the exposition was not wholly a waste of time and money, because I can at least emphasize, from the viewpoint of the fairly well informed lay citizen, the wisdom of sending better qualified men to such congresses and expositions hereafter.

There were large delegations from most of the principal cities of Great Britain; Glasgow notably was represented by her lord provost (mayor), her town clerk, two or three councillors, an engineer and a representative of her health department.

I have written to President Edgar Odell Lovett of the Rice Institute, urging him to establish in our great college a chair or a bureau of municipal engineering and administration, so that we may have, at home, at least one institution in which young men can prepare themselves for expert city service.

I do not know to what extent American colleges have recognized the importance of this modern field of research, but am informed by one who should know that it has been very generally neglected by them. It seems to me no other department of our common life offers a larger opportunity for useful instruction than this one.

The one outstanding advantage possessed by European cities, which we in American cities can obtain without departing from the democratic spirit of our existing city governments, is continuity of administrative policy, assured by continuity of service by trained municipal experts.

If we are to obtain that degree of scientific efficiency, and consideration for the humane housing of the workers which are apparent everywhere in these German cities, we must first create a supply of trained men to draw upon for such administration.

We must abandon the Jacksonian ideal of rotation in office, based upon the fallacious idea that the honors and emoluments of office should be "passed around among the boys," and must make it possible for trained men to aspire to life careers in municipal service.

It must be made possible, in brief, for the people's municipal business houses to obtain and retain, during life or good behavior, the service, increasingly valuable with added years of experience, of high grade experts, just as our great privately owned business corporations obtain and retain the service of such men.

Here in Germany, where the service of the municipalities is a career of honor, the standard of such service is high. Municipal officials are not required to run every two years the gauntlet of a fierce partisan or personal attack; they are paid liberal salaries; they enjoy a measure of freedom of action, and freedom from captious and ill-informed criticism, in administering municipal affairs, far beyond anything of the kind permitted to the officials of any American city.

For example, the City of Dusseldorf has just expended \$25,000 in a competition of architects for the privilege of supplying that city with a plan for its future development.

The plan deemed best won for its designer a first prize of \$5,000; for the second best a prize of \$3,750 was awarded; prizes of \$2,500 each were awarded to the third and fourth, \$1,775 each to the next two men, and lesser sums for several other plans. In addition to the prize awards, the city government bought, at agreed prices, a dozen or more additional plans which were submitted in the competition.

In 1880 Dusseldorf had 94,000 inhabitants; in 1911, 376,000. In part the gain was due to the enlarged boundary lines, in larger part to accretions of citizens attached to new industries. Dusseldorf's expansion has been rigidly controlled by the municipal government. Companies are not permitted to locate factories where they please.

Such institutions must be located where they will best fit into the general city scheme adopted by the city government, and adopted, please keep in mind, with a view solely to safeguarding the health of the workers and to procuring the maximum of beauty for the city as a whole. Noble land and water parks (the Rhine flows through Dusseldorf) adorn the center of the city; boulevards run out into every section, dotted with minor playground and small park rest and recreation places.

The effect of the whole is to minister not only to the health and comfort of the masses of the people, but to educate them in the appreciation of beauty.

The Dusseldorf city government, in conducting a competition for plans for further expansion of the municipality, wished to get the best expert aid in planning such expansion. It is believed the city will have half a million inhabitants in another twenty-five years, and the city government wished to make sure that the new growth shall harmonize with the general plan now in effect.

None of the fifteen or sixteen city plans bought by the city government will be followed entire. The government in council will after discussion adopt a plan composed of parts of all the plans which were bought, and this general plan, the net result of the competition, will not be made public.

As rapidly as it becomes necessary for the city government to buy lands for parks, for municipal housing, and for other purposes, to keep pace with industrial development in new districts set apart for that purpose, a special secret committee of the council, representing the administration, will make such purchases, without publicity, in order that land owners may not know it is the city which is buying and that prices may therefore not be raised too high.

Officials of cities in Britain and in Germany tell me this secrecy is a necessary precaution, since it is the custom of land owners to "gouge" the cities as much as possible when occasion offers.

The cities have, of course, power to condemn lands for various uses, but they have learned from experience that condemnation proceedings are more costly than private and secret purchases made in the manner indicated.

Houston papers just to hand indicate local dissatisfaction with the way in which privately owned public service corporations repair city pavements which they have torn up in order to improve or extend their underground equipment.

It may be worth noting, in this connection, that it is the all but universal practice, in German and British cities, for the city government to open the paving in such cases, and to make the subsequent repairs, charging the cost to the privately owned corporation, but not permitting that corporation to touch the paving on its own account.



## CHAPTER IX.

### HAMBURG A PROOF OF GERMAN INITIATIVE.

Hamburg, Germany.—All the big cities of Germany are “special charter” cities. There is no set of imperial rules regulating or setting bounds to municipal administration in the German Empire. There are twenty-six states composing the Empire. These states range in political character from the absolute monarchy like Prussia (which by sheer bulk overshadows and dominates the other twenty-five states in imperial affairs) up to the city republics (so-called) of Hamburg, Bremen and Lubeck, which are sovereign states (in domestic affairs) like the states of the American Union. In two or three of the lesser kingdoms the crown still literally owns everything, and, potentially, everybody. In none of the German states is there anything like the democratic equality of the American electorate. Government, and especially municipal government, even in the free cities of Hamburg, Lubeck and Bremen, is shared in only by the taxpayers and by most of them indirectly. Government is regarded as a business for qualified experts, the members of the upper classes who alone receive the educational training essential to meet its requirements.

I spent three days in Hamburg, visiting its remarkably beautiful land and water parks, studying its form of government and touring its magnificent harbor, the largest in Europe, in a motor boat.

I have sent to the Houston Public Library, to be framed and hung there, three panoramic views of Hamburg's most striking municipal improvements. I advise all Houstonians who entertain any vision of a future “Houston beautiful” to visit the library and study these views. It will probably make you homesick for the future, at first, as it did me, but it will undoubtedly afford light on the path for us all.

I suppose there is no more lovely night vista on earth—at least none in any city—than the prospect of the Alster basin from the upper windows of the Hamburgerhof or the Atlantic, magnificent hotels which stand just across the main street of the city from the basin, and facing it. Looking from my fifth-floor room onto the basin, at 9 p. m., I saw a fairyland of water dotted with small pleasure steamers, electric launches electrically lighted, white-winged sailing yachts, row-boats and canoes, all moving hither and thither, in and out, like a throng of fireflies and night moths. A handsome, huge cafe, brilliantly lighted and filled with pleasure-seekers, jutted into the basin on a long pier projecting from the street, while an orchestra ministered to the Germanic love of music with Muenchner beer and kalbsbraten.

The Alster basin was mostly man-made; the low flat through which the River Alster flowed into the mighty Elbe was dredged out, transforming it into lakes which adorn the center of the great city as nothing else conceivable by man could adorn it.

Hamburg harbor has six vast basins, cut at large cost back from the banks of the River Elbe. There are at all times hundreds of vessels, large and small, in these basins. Hamburg, like Houston, lies more than fifty miles inland from the sea, on a river channel, thus having security against storms for its shipping and for its vast rail terminals. Some day Houston, like Hamburg, will possess half a dozen huge inland shipping basins, on either bank of its ship channel. Mayor Rice's recently published suggestion that the City of Houston (or a Houston harbor district) should as early as possible obtain ownership of a strip of land on either side of our ship channel, is sound counsel. It is in line with his policy for eight years past, which more than any other single factor has resulted in carrying Houston forward to her destiny, which is to become one of the world's great seaport cities. These great man-made river seaports of Germany have had to obtain such ownership (likewise the numerous big river ports along the Rhine, the Elbe and the Weser) in order to open the way on favorable terms for the entrance of railroad connections and for new industries to make use of the shipping facilities thus provided by the cities.

The one fact above all others which this voyage of discovery drives home to me is that Houston can never again afford to listen to the counsels of the shortsighted, of those who are unable to understand the mighty demands laid upon us by our situation commanding the southern (and through the Panama Canal the western) sea routes for nearly one-third of the continental United States. We have gigantic tasks ahead of us. Whether or not we adopt any part of the German system of municipal government we must—there is no escape from it—make up our minds to spend tens of millions of dollars of borrowed money during the next dozen years, laying, in land and water, the civic foundations for a city of a million people which we shall become within fifty years.

These astounding modern industrial cities of Germany are more heavily bonded in proportion to population, than any of the American cities. They assume burdens of debt for borrowed capital, to be invested in revenue-producing and industry-stimulating public works, which outclass even the vast bond issue made by Los Angeles to bring a river 150 miles down from the mountains to fill its water mains. These German cities, notwithstanding their long historic past, are today the youngest, most virile, most daring, most farsighted municipalities on earth, and I do not except the best of our American cities when I set down that positive statement. There are no pikers in the list of them.

I have been told, for years, by travelers and in books dealing with modern Germany—several such books, the best obtainable, now on my work table, repeat the sage statement—that the German people “have



little or no initiative," individually. Having read and heard that statement so often, on such apparently excellent authority, I accepted it and started in to study the German organization of life from that viewpoint.

After a month in the country, I am convinced no statement ever made was further from the truth. The Germans possess individual initiative plus—more than any other people I have ever seen. Their initiative is lifting them irresistibly upward through an adamantine crust of political officialdom, toward a full measure of workable personal liberty. It is substituting for the age-old scholastic servitude of modern minds to Greek and Latin classics the universal, shrewd and thorough study of the earth we live on and the life of our own times. It is giving effect (in the creation and equitable distribution of material wealth) to the mighty visions of the poets and philosophers of the classic age of the German people. It is producing a people who stand and walk erect almost without exception, who breathe deeply, who dress neatly, work long and sturdily and live with wise economy, and who front life with magnificent confidence in the future of their nation. It is making their cities centers of artistic beauty which attract increasing thousands of visitors and permanent residents from all the other lands on earth. It is assuring to every child in Germany several years of practical public free education—education for living now and here, and it is providing for the sons of the well-to-do, who can bear a part of the extra cost, higher education in every branch of applied science inferior to none given elsewhere. If the Germans have apparently surrendered a part of their individual initiative in the organization and administration of their municipal governments (or have failed as yet to claim that full measure of individual participation in such governments that they have asserted in other departments of their common life), why, in this more than in any other way, they have demonstrated their possession of individual initiative—because they have made this concession, with open eyes, in recognition of its wisdom, on their own initiative.

Some French and English critics have discovered that the German people lack the quality of charm. Using that word to express the quality which in France and England is known as charm, this may be a true criticism, in degree; it probably is. But the German people, and the average German individual of the creative and masterful type, possesses another kind of charm—the charm that inheres in creative genius, in power, in common sense applied to practical affairs. If Kipling could forget his prejudice, he is precisely the one man living who could do full justice to this dominant quality of the German character. Individual initiative has enabled the German people, thirty years ahead of any other, to lead the world in the work of minimizing human risk in industry, in abolishing the worker's fear of want in age by working out a vast system of sick, death and out-of-work benefits and old-age insurance, thus reducing tremendously the quantity of preventable and deplorable involuntary poverty. That precisely, as Theodore Roosevelt has been telling his countrymen during the cam-

paign now past, is the next big problem which must be undertaken by prodigally wasteful America, and we should thank our stars that we have, to light us on the way, the example afforded by this remarkable people who, their critics assure us, "possess no individual initiative."

Some readers may wonder just what such generalizations as the foregoing have to do with a study of municipal government. The answer is that we can't understand how the German people got the wonderful results they did unless we partially at least understand the character of the people. The situation here implies leadership amounting to genius, plus a rank and file sufficiently intelligent to submit to regimentation—socialization—for the individual and the common good. Until we become intelligent to that degree we shall probably not obtain any such results from our city governments as have been obtained by the cities of Germany. We at home are all born sovereigns—potentially—and never forget the fact. The Germans are all born workers—even the emperor's sons are each required to learn a useful trade (the crown prince is a carpenter and said to be a mighty good one, the kaiser a bookbinder)—and they never forget it. The Germans are so far from being ashamed of trade that they glory in it. It is their engrossing interest—the creation and diffusion of new wealth. They begin work early in the day, they keep at it steadily, without undue speeding up; they knock off work for a couple of hours at midday, and they go back to it and stay at it until supper time, with few exceptions. Their evenings and Sundays and their relatively few holidays are social opportunities fully utilized. Very sanely, too, with little apparent excess. I wish we had their cafe life transplanted to our Southern cities, where the mild climate, and, I think but am not quite certain, the temperament of our people are most favorable for it. I hope to see it introduced—not gaudily and expensively but modestly and within reach of the purses of all our people—into Houston in the near future. We lack entertainments accessible to the majority, such as one finds provided by municipal governments on every hand in the German cities. Our municipal auditorium free concerts and our park band concerts have made a notable and commendable beginning in this field.

Municipal government in Germany is an evolution from the mediæval system in which the overlord owned everything and everybody. Today the people's city governments, exercising a part of the ancient landlord's vanished powers for the general welfare of the community, performs functions which in America are left to profit-seeking individuals to fulfill. Thus, the City of Hamburg, when additional housing space is needed for its increasing population, buys a tract of suburban land, plats it artistically, and with a view to obtaining the maximum of health and comfort for its future inhabitants, and sells lots at auction, stipulating that houses built thereon shall comply with regulations fixed by the government, and shall cost not less than a stated amount, dependent of course upon the character of the addition.

Hamburg some years ago surrendered its right of free trade to the German imperial customs union, receiving in payment therefor several millions of dollars which it invested in extensions of its harbor facilities. The city-state retains a portion of its early free trade rights. Most of its harbor basins are lined with huge warehouses into which foreign goods can be brought for storage, without payment of customs tariffs, pending their transshipment to other countries. If brought into the Empire, these goods must pay the German imperial customs duties. This system enables Hamburg to handle a vast quantity of commodities at minimum cost to manufacturers and shippers, to become, in fact, a gigantic warehouse and transshipping point.

My trip around the harbor in a motor boat lays over anything else I ever experienced, as a sporting proposition. I have ridden in city taxis (notably through the narrow, winding streets of New Orleans, at forty miles an hour, with my scant hair standing on end), and have had, in earlier days, a few bone-breaking, nerve-killing experiences on unladylike horses; but for sheer thrill that harumscarum dash in and out among the shipping of Hamburg has the edge on city taxicab, wild horse or airship. My motor boat was handled by a young fellow born and reared in Columbus, Ga., who said he proposed to give me a run for my money, he was so tickled to see anybody from Dixieland and to hear the speech of his own section. The harbor was uncommonly rough that day, big tugs were racing in and out, up and down, past us and across our bow, and the way we ducked and dodged and darted in between and around them afforded as complete a test of one's heart action as anything could do. At times nothing much more than the propeller of our tiny craft was in the water; it stood on its nose and on its hind legs like a wild pony. Again, we cut in between two big tugs, racing toward us in opposite directions, and so close together that I could reach out a hand on either side and touch their bows. Two seconds delay and either one or both would have cut us down like a paper box and sent us into twenty-seven feet of mighty wet, cold water. We went past big dry docks, in which battleships and huge liners were taking repairs, and circled around the Emperor, the 50,000-ton Hamburg-American liner which is expected to begin service in 1913 and give Germany the blue ribbon of the high seas, outclassing the 32,000-ton Cunarder now in service and the 40,000-ton Cunarder which I passed in the stocks at Glasgow when sailing up the River Clyde from Dublin. The same company has laid down the keel of a second 50,000-tonner, the Europa, thus affording our Scotch and English friends a mark to aim at in future efforts to regain sea supremacy. The Emperor is over 900 feet long, has eight decks of cabins up and four more to build where she rides the water like a leviathan.

Some day our children and our grandchildren will see a development at Houston like that now to be seen in Hamburg. It is up to us now on the ground to grasp the full bigness of our job, which is to get title to enough public land for foundations, and to shape at least the outlines of those foundations for our successors to build upon.



## CHAPTER X.

### PHASES OF MUNICIPAL ADMINISTRATION IN HAMBURG.

Hamburg, Germany.—American consuls are outposts of American trade, chiefly. Occasionally a consul, of the abler sort, makes a valuable special study of his foreign environment—not the formal required “reports” with which state department archives are laden, but a keen and illuminating analysis of conditions. Consul Robert P. Skinner, American representative in Hamburg, a veteran in the service and rated all along the line as one of the ablest men in the service, was interested in Houston’s attempt to learn from the experience of progressive German cities, and besides promptly indorsing my inquiries addressed to the Hamburg government he placed at our city’s disposal copies of special reports which he had written, on the organization and administration of affairs in Hamburg. Inasmuch as Hamburg seems to me most like of all the European cities to the kind of city which Houston must become, I include two of these brief reports in this chapter, so that they may be studied by our municipal administrators, and by our citizens, when confronted hereafter with problems like those which have been wholly or partially worked out in the great German seaport city.

*The Disposition of Garbage in Hamburg.*—In the northern and northwestern sections of the City of Hamburg, garbage and house refuse are collected and carted to districts beyond the city boundaries to be spread over fields and eventually to be plowed under as fertilizing material; while in the central, eastern and southern boroughs, including the harbor, such material, after being collected, is incinerated in a municipal establishment commonly regarded as a model of its kind and one which has given entire satisfaction during the entire fourteen years of its practical use. I am convinced that American municipalities can study profitably the experience of Hamburg in this very important matter.

The refuse reduced to ashes in the municipal plant is conveyed thereto in four-wheeled, watertight, iron carts, each of which has a capacity of about four cubic meters. The cart bodies can be lifted from the wheels by means of electrical traveling cranes, and the contents discharged directly into the furnace. There are thirty-six of these furnaces, built according to the method of the Horsfall Refuse Co., Ltd., of Leeds, England, all of which burn continuously, except

when they require cleaning. When the fires are once started no commercial fuel is required and, therefore, the consumption of coal in the plant is insignificant.

The slag is removed from the furnaces in small iron carts and conveyed therein to a cooling apparatus, where the contents are sprinkled with cold water, and thence to the slag breakers, which are capable of producing broken slag in three sizes in the following proportions: 16% passing through a 5 mm. mesh screen; 50% passing through a 25 mm. mesh screen; 34% passing through a 60 mm. mesh screen. An electro-magnet is in operation in connection with the slag breakers, and it removes small pieces of iron, the larger pieces having been removed from the refuse before passing into the furnaces; or, if such are contained in the slag, they are thrown out of the rotary sieve drum at the lower end of the breaker.

The scrap iron recovered is sold at public auction, and the slag itself is disposed of at a fixed price of 23.8 cents per ton of 1,000 kilos (2,200 pounds). There is always a great demand for this slag, for which there are numerous applications. The fine cinders are used as a top dressing for promenades, the coarser grades for establishing the drainage foundation of roads, and the middle size for the top dressing of the roads. Used in this way, garbage slag is cheaper than any substitute material, and it serves its purpose perfectly. It is used very advantageously in mixing concrete, five parts of coarse slag, one part of cement, and three parts of sand being the ordinary proportions; or, one part of cement and seven parts of middle sized slag.

The very fine garbage slag may be utilized wherever coarse sand may be used; for example, to form a bed for street paving blocks, for the manufacture of slag bricks, as anti-slipping material on city streets in winter; as filling material in buildings under floors and over ceilings. Many other applications could be named.

As a filling material between floors and ceilings this slag is used very extensively in the docks and warehouses of Hamburg, for the particular reason that it is absolutely sterile and, unlike other kinds of slag, contains no sulphur by which merchandise in storage is sometimes damaged.

The garbage incinerating furnaces furnish sufficient power to drive all the electrical machinery in the establishment to operate the cranes, slag breakers and light plant, furnishing also electricity for the accumulators of an electric motor launch, and an electric motor cart used in the transportation of garbage. At present only one motor cart is in use; it is proposed to purchase a number of others, so that within a few years horses will be eliminated entirely in the handling of garbage.

Such city garbage as is not burned is utilized, frequently, to fill up marshes and swamps, as well as for fertilizing purposes.

Contracts for the removal of garbage, whether for destruction by fire or for other disposition, are awarded by the government to private

firms upon public tenders and in several lots, described according to the distances to be covered in transporting the refuse. The two firms which, for years, have secured such contracts are F. Schmidt, 210 Steilshoperstrasse, and Messrs. Baustian and Dreyer, 12 Lubeckerstrasse. These firms own the necessary horses and stables and rolling stock, and furnish the men; the carts in which refuse is conveyed to the incinerating plant are municipal property placed at the disposition of the contractors. Having very considerable outfits, the two firms named seem also to control the transportation of sand, gravel, paving stones and bricks within the city. The present contracts for the removal of garbage were made in 1905 for a period of five years. The city pays from 450 to 555 marks (\$107.10 to \$132.09), according to distance, per 1,000 inhabitants served. (The City of Hamburg has a population of 895,804.) New contracts were made this year with the same concerns, according to which the contractors will receive from 572 to 850 marks (\$136.13 to \$202.30) per 1,000 inhabitants; but these contracts are to run for two years only, for the reason that a second incinerating plant is in course of construction and will be ready for use within two years.

The new destruction plant is being arranged much like the old one except that the experience of fourteen years has been utilized, and instead of Horsfall furnaces the so-called Hamburger ofen will be employed. The new ovens are not unlike the Horsfall ovens but are believed to have been improved upon to such an extent that whereas the Horsfall furnaces can dispose of only nine tons of material per twenty-four hours, the new ovens will dispose of from twenty-two to twenty-five tons during the same period.

Householders in Hamburg are required to provide themselves with metal receptacles which they place upon the curb line, usually twice a week, between 8 and 9 o'clock p. m. The garbage gatherers empty the cans into their carts between 9 p. m. and the early morning hours. The cans themselves are very seldom stolen, and it is possible, and indeed quite common, to purchase numbered cans from private firms which, if stolen, are replaced by the insuring firm.

The conditions in Hamburg are such that ordinary householders reduce the amount of garbage to be carried away as much as possible by destroying in kitchen stoves everything that can be burned.

*The Commercial Planning of Hamburg.*—The agglomeration of Hamburg now comprises 1,212,299 inhabitants, thus divided: Within the political limits of the State of Hamburg, 977,144, of whom 895,804 are within the city limits; in the City of Altona, which although in Prussia, immediately adjoins Hamburg, 169,464; and in Harburg, Prussia, on the opposite side of the Elbe, 65,691.

The city lies at the junction of the upper and lower Elbe, a distance of seventy-five nautical miles from the sea, and in the thousand years of its history has become the chief commercial city of Germany. The city consists of an ancient town in which many of the streets are crooked and narrow, and which grew up in the vicinity of the port

where now the chief business of the community is carried on, and the vaster and newer section which has developed on both sides of the Alster river, which here flows into the Elbe. As the Alster widens to the proportions of two large lakes where it traverses the City of Hamburg, the result has been that the residential districts lie around the shores of the upper lake, so that the general aspect of the city somewhat resembles that of Geneva, upon a much more imposing scale. From the Alster lakes, navigable canals extend in numerous directions, and over these lakes and canals a very large and probably chief part of the local traffic of the city, both freight and passenger, is carried on. With the exception of Venice, it is doubtful whether any city in the world possesses a system of water routes so commonly utilized as that of Hamburg.

The port of Hamburg is a meeting place for oceangoing ships, craft from the upper Elbe, canal barges, and the German state railway system. Tracks, wharves and warehouses are so cleverly constructed as to facilitate the rapid and economic handling of the vast volume of merchandise which passes through Hamburg, while, at the same time, the evidences of this great business are less apparent than in many similar cities which are less well organized.

The commercial section of Hamburg is subdivided into two divisions, in one of which free trade prevails, while in the other the ordinary taxing system of the Empire is in full application. The free port, as it is called, is the last vestige of the ancient free city, that is to say, free as respects goods imported therein. Upon the organization of the Empire, which the State of Hamburg joined as a constituent member, it became necessary to abandon the policy of free trade, and to accept the fiscal system of the union; but, in order to protect the shipping business of the city, a free zone was set aside within which free trade still prevails. For the physical organization of the free port, it became necessary to remodel the harbor entirely. A population of thousands of people was moved from the islands of Kchrwieder and Wandrahm, and upon these islands and certain adjacent territory, free accommodation was provided for the handling of the largest ships afloat, as well as their cargoes, while, at the same time, equal facilities had to be provided for the handling of merchandise in the region subject to ordinary tariff taxes. The original facilities of the free port were outgrown rapidly and, at the present time, the port, as a whole, is undergoing very extensive and costly improvements.

As the State of Hamburg is one of the smallest in the German Empire, the government is doing everything possible to recover every inch of waste and marsh land, and to acquire, by purchase or otherwise, all unimproved lands. The result of this policy, which is one of long standing, is that the residential portion of the city seems like one immense park. Where public holdings have not been converted into gardens, promenades and the like, and where the land is unlikely ever to be needed for handling the commerce of the city, lots have been laid out and sold at auction for the erection of dwelling houses. The



character of the dwelling houses to be erected is controlled, to some extent, by the government, the buyers being required to build on a uniform line, with an allowance for a small front garden, and being forbidden to erect apartment houses except in certain districts.

The provisions for air and light in the modern part of the city are excellent, and in these portions the streets are wide and are admirably maintained. Hamburg is undoubtedly a model of careful organization, for which it is indebted to an enlightened government composed of its ablest citizens, who consecrate their entire lives to their special tasks, and who covet no higher honor than the approval of their fellow citizens.

Mr. Skinner also supplied the City of Houston with a long, detailed analysis of "Taxation in Germany." This report has been filed for reference in the Houston Public Library, where it can be consulted by students of the subject.



## CHAPTER XI.

### OFFICIAL STATISTICS OF HAMBURG.

Hamburg, Germany.—Before taking up the third section of my report on Hamburg, the great German seaport which is what I am convinced Houston-Galveston will in due time become, let me set down one or two general observations on city government which suggest themselves at this point :

1. The human race has not yet learned to live as sanely and healthfully in cities as it has for thousands of years done in the country places, because the city as we know it is relatively a very recent development of human society.

2. Our cities, and especially our American cities, are too often wanting in publicly owned and operated services ministering to the general health and welfare, and too seldom possess adequate equipment of permanent underground utilities, solely because we, moving lately into the cities from the country places, where life was and is lived on simpler terms, have brought with us standards of economy in social expenditure which are not high enough to meet the demands of city life. In a word, we have not been willing to pay for first-class service, so naturally we have not had first-class service, in our cities.

3. A high city tax rate is an unavoidable incident of any plan of city construction and administration under which city dwellers shall receive first class public service. A high rate means a high standard of civilization in cities. A low rate means a low standard. Here in Germany, as in America, cities which are competing for new industrial enterprises do to some extent offer as an inducement the fact of a comparatively low tax rate; but they do not give it anything like the emphasis which it is commonly given on our own side of the ocean. Indeed, their chief claim to attract new factories and new selling enterprises which will employ considerable numbers of people is the completeness and excellence of their streets and their public services, including water, schools, sewers, parks and playgrounds, amusement places, transportation, and, often above everything else, their ability to provide comfortable, sanitary housing and good food at low prices for the work people who are to be employed in the new enterprises.

In a word, the German city builders of the past thirty years have been first to recognize that not cheap living, on a low scale, but comfortable living, on the highest attainable scale, would most certainly attract new population and capital. They have not been afraid to

play the game the way they figured it out. And they have made it win. Citizens of German cities often complain that they are very heavily taxed, but they always add: "We get value for our money." And they do.

Now let us have a look into the fiscal affairs and the methods and motives of the government of Hamburg, as set forth in a series of replies prepared by Consul Skinner in answer to a group of specific inquiries which, through him, I addressed to the Hamburg city government. The replies, which indicate the line of my inquiry, are as follows:

*In reply to Frank Putnam, Esq., Special Commissioner of the City of Houston, Texas, now at Hanover, Germany.—Information Relating to the Free and Hanseatic City of Hamburg, Germany:*

1. The population of the State of Hamburg on October 1, 1911, was 1,038,931; the population of the city, 953,179. (From Official Anzeiger, 252.)
2. The total income of the State of Hamburg in 1911 amounted to 144,987,226 marks; in 1912, to 160,167,280 marks. Expenditures in 1911 amounted to 161,819,668 marks; in 1912, 172,535,711 marks.
3. The income of the State of Hamburg under the head of taxes for the year 1908 was as follows:

Real estate tax.....	18,558,857.46 marks
Income tax .....	39,206,484.03 marks
Stamp revenue .....	2,986,062.40 marks
Registration dues .....	560,701.06 marks
Tonnage dues .....	3,273,161.67 marks
Inheritance tax .....	4,548,209.95 marks
Tax on sales of property.....	4,268,361.33 marks
Amusement tax .....	79,386.98 marks
Dog tax .....	311,722.14 marks
Contributions for fire department.....	919,455.14 marks
Share of customs revenues.....	6,805,163.76 marks
Share of federal receipts from distillers' tax and imperial revenue law.....	2,942,819.48 marks

In addition to these ordinary sources of income, the state obtains large revenues from what is called the state domain. The anticipated income from this source, according to the budget for 1913, is as follows:

Ground rents .....	894,700 marks
Building rents .....	4,080,000 marks
Pastures .....	179,900 marks
Woods, hunting and fishing rights.....	24,900 marks
Abattoirs .....	1,839,000 marks
Petroleum harbor .....	163,100 marks
Lighting .....	14,687,000 marks
Water .....	5,603,500 marks

Customs .....	312,600 marks
Railway shares .....	54,500 marks
Railways .....	1,054,400 marks
Street railways .....	1,443,000 marks
Quays .....	6,223,400 marks
Theatre bonds .....	2,400 marks
Pawnshops .....	225,000 marks
Lottery .....	3,500,000 marks
Wood harbor rents.....	28,200 marks
Free port warehouses.....	974,500 marks

4. After the payments into the interest and sinking funds accounts, and special expenditures for harbor construction, etc., a considerable number of the more important expenditures of the city, according to the budget for 1913, will be as follows:

Police department .....	13,436,416.80 marks
Building police department.....	559,341.50 marks
Fire department .....	2,373,726.00 marks
Prison in Fuhlsbuettel.....	1,646,023.83 marks
Detention prison .....	377,995.42 marks
Medical college .....	1,673,726.15 marks
Hospital, St. George .....	2,564,213.67 marks
Hospital, Eppendorf .....	3,848,917.72 marks
Hospital, Barmbeck .....	404,590.00 marks
Hospital, Friedrichsberg .....	1,771,839.00 marks
Hospital, Langenhorn .....	2,179,626.00 marks
Poor support .....	5,531,994.00 marks
Workhouse .....	1,707,111.40 marks
Superior court .....	1,779,583.97 marks
Local court .....	3,007,995.80 marks
Guardians' court .....	177,191.50 marks
Attachment court .....	1,020,050.30 marks

5. At the end of 1911, Hamburg bond issues were outstanding to the amount of 769,451,838.29 marks, in addition to which there was an old debt, not redeemable, amounting to 200,810.50 marks.

6. Yes, bonds are issued when public works of various kinds are proposed, in order to secure funds therefor.

7. Contracts are entered into after public advertising for bids in the State Gazette. This relates to public works as well as to supplies of almost every description. The execution of contracts is supervised by the competent department of the government.

8. The city operates water and gas works for its own account. The street railways and elevated and underground railways are operated by corporations under concessions, the city deriving a substantial income from these enterprises.

9. The port is the greatest revenue-producing property belonging to the State of Hamburg; however, the general interests of the state are considered rather than the possibility of taxing commerce for the

benefit of the resident population. Not only is the income of the port necessary for its maintenance, but the state expends enormous amounts for its improvement and extension. The jealous care with which the harbor and its surrounding works is administered is one of the prominent causes of Hamburg's development.

In connection with the port there exist warehouse facilities enormous in extent which are operated by a private corporation in which the state holds stock. By a rather complicated method of accounting a portion of the annual revenue from this warehouse stock is set aside for the purpose of acquiring additional stock in the company for the state, so that in time the state will become the whole owner of the plant.

The state is the owner of real property which changes hands frequently. As the area of Hamburg is limited, the state acquires land in fee and disposes of it at auction from time to time under such conditions that purchases for speculative purposes are impossible. Quite lately the state condemned certain congested districts, razed all structures existing thereon, cut a broad thoroughfare through the property, which bears the name of Moenkebergstrasse, and is now selling the lots on each side to cover the cost of the operation. The property cost 38,289,355 marks and up to 1911 the sales of street-abutting land had amounted to about six million marks. The expenses of carrying on this operation were covered by a special loan. In this connection I may remark that most European cities refuse to give their streets names or numbers without character, preferring to name them after celebrated national or local personages. It is considered that even the largest cities are not so complicated but that intelligent persons can find their way about, without reducing public nomenclature to a series of figures.

The gas works belong to the city and produced a revenue of 12,975,350 marks in 1912, against a cost of operation of 8,178,870.50 marks.

10. The port warehouses, as already stated, are becoming the property of the public. The gas works were taken over from a private corporation in 1891.

11. The gas works yield the state a fair amount of revenue over the cost of maintenance and operation. For particulars, see No. 9.

12. This question has already been answered in part. The electric light company is a private corporation, and in the fiscal year 1909-10 paid the state 2,122,006.60 marks in taxes and dues of every sort, and in the year 1910-11, 2,323,456.25 marks.

The street railway companies in 1909-10 paid the state 1,762,383.53 marks in taxes and concession dues. From 1866 to 1910 stockholders of the street railway company received 33,397,965.75 marks, and the city 23,001,703.31 marks.

The underground and elevated railroad has only been in operation a few months, and no results can be stated.

13. Fares on the street railway amount to 10, 15 and 20 pfennigs, according to distance. The cost of gas in Hamburg is 14 pfennigs per cubic meter. Electricity for illuminating purposes is sold at the rate of 6 pfennigs per kilowatt hour, and at the rate of 20 pfennigs per 100 kilowatt hours for power purposes.

14. The salaries paid to public officers in Hamburg may be judged from the following partial list:

Building police director.....	14,000 marks
Building inspectors .....	10,000 marks
Assistants .....	5,000 marks
Technicians .....	3,500 marks
Chief of bureau.....	5,300 marks
Registrar .....	4,300 marks
Messengers .....	2,150 marks

In the administration of the port, the chief councillor receives \$2,856 per annum; the less conspicuous officers are paid \$2,380, \$1,309, \$1,094, \$856, \$642, \$452, the lowest salary being that of office messengers. These port salaries are subject to three, four and five increases every three years, so that a chief councillor who starts in at \$2,856 may terminate his career at a salary of \$3,908, and upon retirement from active duty receives a pension to the end of his days.

15. The income tax of Hamburg varies according to the requirements of the state. There is a unit tax, the unit increasing according to the income reported, and this unit rate is multiplied a sufficient number of times to produce the desired amount of revenue. The average number of units collected has been seven. This question of taxation is complicated, and for details you are referred to the report annexed hereto, entitled "Taxation in Germany." This report, written some years ago, is substantially correct today, except that the tax on the increase in the value of real property, sometimes called the tax on the unearned increment, and which was formerly merely a Hamburg state tax, is now an imperial tax. This tax puts into effect the Henry George theory of land taxation.

16. Taxes in Hamburg are payable without exception. The rate of the income tax increases as the income of the individual becomes greater.

17. Hamburg is one of the free states of the German Empire. Its government is unlike any other in this country, and has come down from the Middle Ages changed only to meet modern necessities. The commission plan of administration has been in operation in Hamburg during many centuries. The chief executive body is the senate, of eighteen members, elected for life and composed of men of high personal qualifications. This commission of eighteen proposes laws to the *burgerschaft*, which is the popular elective chamber. The various senators sit as members of deputations which control the different branches of the government. The term "oberbürgermeister" is not used in Hamburg at all. In this state each member of the senate is

the equal of every other in rank and authority. The senate elects a president who serves, usually, not more than two years, and who is called the burgomaster. There is also a second burgomaster, who usually becomes burgomaster. The burgomaster, in addition to being president of the senate, represents the state on ceremonial occasions, and as a senator he continues to carry on the work intrusted to him before he was chosen burgomaster.

The Hamburg system of government is complicated. It works well here because it is hallowed by centuries of use, and because members of the government are superior men. It works well, also, because the city is the state and the state is the city. That being the case, there are no delays or differences of opinion between the municipal government and the national government, as is sometimes the case in the United States. In Hamburg, when the senate and the burgerschaft have spoken, their decision is law, and requires no higher confirmation. Members of the Hamburg government must be citizens of Hamburg. This does not apply to specialists who are employed in the various departments. This reply to question No. 17 is obviously not based upon any official report or expression.

18. All the higher officers of the State of Hamburg are university graduates, and all the officers of the building department and the like, must be graduates of technical high schools. It would be inconceivable in Hamburg that a public officer should not possess either the general culture or the special training for his particular post. No one would think for a moment of putting an untried man in a responsible position to learn the actual business of his office at the expense of the taxpayer. On the other hand, any man who has entered the service of the state is assured of permanent employment, occasional increase in compensation while performing the same work, or promotion in rank according to merit, and, eventually, retirement with a pension for life.

ROBERT P. SKINNER, *Consul General.*

Hamburg, Germany, October 28, 1912.

Further statistical information concerning the city-state of Hamburg is given in the following reply by the government, through its statistician, to the inquiries which I addressed to the president of the Hamburg senate.

FREE AND HANSEATIC CITY OF HAMBURG.

BOARD OF STATISTICS.

No. of Journal: 3171

HAMBURG, October 31, 1912.

Reply to letter dated October 4th.

TO MR. PUTNAM, *Special Commissioner of the City of Houston, Texas, U. S. A., United States Consulate, Hanover.*

I beg to answer the questions put by you as follows:

1. On November 1, 1911, Hamburg's population (city) was 953,079 inhabitants; on November 1, 1911, Hamburg's population (state) was 1,038,669 inhabitants.



2. The *City* of Hamburg has no special administration; all the municipal affairs of the city are managed by the authorities of the *State* of Hamburg. The city, however, forms the largest part of the state. The state budget of 1910 shows the income (apart from loans) to be 155,436,000 marks. This according to the state's account given.

3. This income is composed of:

Rentals, interest, etc., of state property..	34,616,000 marks
Taxes and royalties.....	98,648,000 marks
Fees and other revenues of the authorities	22,172,000 marks
	<hr/>
Total .....	155,436,000 marks

4. According to the balance-account, expenditures of the state were as follows for the calendar year 1910: 153,217,000 marks, so that there was a surplus of revenues of 2,219,000 marks. In detail the state expended, for:

Overground workings .....	22,694,000 marks
Engineering—River and port workings...	7,569,000 marks
Interest for state's debts.....	26,663,000 marks
Amortisation .....	5,981,000 marks

5. In 1910 (beginning of 1911) the state's debts amounted to 715,761,000 marks.

6. The state issues bonds which bear interest, but the expenses for public buildings, etc., are paid, in part, from the yearly revenues.

The state's bonds are assured by the state's property, which may be appraised, approximately, by the financial department and private financiers. The property is larger than the debts are.

7. Works and furnitures surpassing 360 marks in value must be publicly written out for contract unless the senate (the chief municipal authority) decrees dispensation therefrom. Whosoever gets the contract must either bring two good citizens who guarantee the furniture or work according to contract, or he must deposit, in ready cash, a sum, usually 10 per cent of the amount in question. The sum is deposited with the financial deputation.

8 and 9. The street railways (Street Railway Company in Hamburg and Central Railway Company of Hamburg-Altona), and the running thereof, are operated by private companies which have to pay yearly taxes and other obligations. Electricity is furnished by a private company; this also is done against a yearly tax. Further, a private company operates electric fast trains (elevated and underground railway) and is taxed therefor yearly. On the other hand, the gas works (with a surplus) and the water works (with a surplus) are operated by the city, rectius the state. As for the railway lines, the main line is owned and operated by Prussia; the city and suburb lines are owned by Hamburg and operated by Prussia; the same with the lines on the

quay. Public works and institutions are further: The Abattoir Administration (with a small surplus), the Quay and Port Administration (operated by the state), the mint, the foundries laboratory, and the gauging offices, alternately with a surplus or an allowance.

10. None of the works owned and operated by the state at the time being has been owned formerly by private persons or companies. The gas works have been leased to a private person, but were taken over by the state in 1891.

11. The yearly gross receipts of public institutions, owned and operated by the state, were, in 1910, as given below:

Gas works .....	17,124,000 marks
Water works .....	5,009,000 marks
Abattoir .....	1,548,000 marks
Quay buildings, including port rentals...	6,334,000 marks
Mint, including the stock capital for coins and medals .....	2,523,000 marks
Foundries laboratory .....	82,000 marks
Gauging offices .....	95,000 marks
Lombard (deposit business).....	203,000 marks
Former customs bureau store.....	321,000 marks

Should there be a surplus, it goes to the state's funds; as a rule, prices are not lowered.

12. As for public works owned and operated by private companies, the State of Hamburg received in 1910:

(a) From the street railway companies, according to the contracts made, 1,330,000 marks. Of this amount the Street Railway Company in Hamburg had to pay 875,000 marks taxes. The share of the state of the dividend of the above-mentioned company was 336,000 marks. The Hamburg-Altona Central Railway Company had to pay 119,000 marks taxes.

(b) From the electric works, 1,973,000 marks.

The electric fast trains line was opened but this year.

13. On the lines of the Street Railway Company in Hamburg, passengers pay 10, 15 and 20 pfennigs (2 to 4 cents), according to distance; on the lines of the Hamburg-Altona Central Railway Company, 10 pfennigs (2 cents) for each ride is paid, without taking into consideration the distance.

The price of gas is 14 pfennigs per cubic meter and is the same for lighting, cooking and heating purposes, as well as for motors.

The electric works charge for light 60 pfennigs per kilowatt hour; for power, 20 pfennigs.

14. Public buildings are designed, as a rule, by state's officials and executed, nearly without exception, by private enterprises. (See answer to question 7.) Wages paid to workmen occupied with public

building work are the same as those of workmen occupied with private buildings. The majority of Hamburg workmen are paid by the hour. Wages paid for the hour are, just now :

For masons and carpenters, 85 pfennigs per hour for a working day of nine hours ; that is, 7.65 marks per day.

For stone masons, 90 pfennigs per hour for a working day of eight and one-half hours.

15. No income tax is raised from incomes under 900 marks. Every fiscal year the senate and the burgerschaft decide how many tax units are to be raised. In 1910, seven and one-half units were raised—the same in 1911 and 1912. The tax unit would be :

Yearly Income—	Tax Unit.
From 900 M. to 1,000 M. . . . .	1.00 M.
From over 1,000 M. to 2,000 M., for each hundred . . .	0.20 M. more
From over 2,000 M. to 3,000 M., for each hundred . . .	0.40 M. more
From over 3,000 M. to 4,000 M., for each hundred . . .	0.55 M. more
From over 4,000 M. to 5,000 M., for each hundred . . .	0.65 M. more
From over 5,000 M. to 6,000 M., for each hundred . . .	0.80 M. more
From over 6,000 M. to 7,000 M., for each hundred . . .	0.95 M. more
From over 7,000 M. to 8,000 M., for each hundred . . .	1.00 M. more
From over 8,000 M. to 10,000 M., for each hundred . . .	1.05 M. more
From over 10,000 M. to 15,000 M., for each hundred . . .	1.10 M. more
From over 15,000 M. to 20,000 M., for each hundred . . .	1.15 M. more
From over 20,000 M. to 30,000 M., for each hundred . . .	1.20 M. more

So the unit is :

With an income of 1,000 M. . . . .	1 M.
With an income of 2,000 M. . . . .	3 M.
With an income of 3,000 M. . . . .	7 M.
With an income of 4,000 M. . . . .	12.50 M., etc.

until with an income of 30,000 M., it amounts to . . . . . 300 M. = 1%. From this point it is raised, in another 20 units, in proportion of .01%, up to 1.20%, viz: In 10 units of 2,000 M. each up to 1.10% with an income of 50,000 M.; in 5 units of 10,000 M. each up to 1.15% with an income of 100,000 M.; in 5 units of 20,000 M. each up to 1.20% with an income of 200,000 marks.

A portion of a hundred is counted for a full hundred.

If the family of a taxpayer consists of, at the least, four persons, and the whole income of the taxpayer does not exceed 5,000 M., he has the right to demand his tax lowered by one-quarter; in case his whole income does not exceed 2,000 M., by one-half. If the family consists of six persons, and the whole income of the taxpayer does not exceed 5,000 M., the taxpayer has the right to demand the tax lowered by one-half; in case the whole income does not exceed 2,000 M., by three-quarters.

The income tax would be, for a family of six heads, with an income of 1,000 M., and on the base of  $7\frac{1}{2}$  units: 1.88 = 1.90 M., that is to say one-fourth of the tax unit of 7.50 M. = not quite 2%. A family

with an income of 1,000 M. and four or five heads would have to pay 3.75 M., that is to say, one-half of the tax unit of 7.50 M.=.38% of the income. The unit is raised up to 9% in case of the income being 200,000 M. and more. So it is clear that the lower incomes are very much favored in comparison with the higher ones.

16. The tax units refer to physical and judicial persons, but corporations and institutions founded for benevolent purposes are free from income tax. The property is not taxed in this city; the tax on landed property and buildings we raise is a so-called "real" tax.

17. See answer to question 2. All municipal affairs are managed and closed by the state government. The senate, being the head of the administration, chooses, by secret vote, a first and a second bürgermeister from the members of the senate, to be president for the term of one year. No bürgermeister is allowed to rule longer than two years at a stretch, but he may be re-elected after a short interval out of office.

The two bürgermeisters ruling just now were elected on September 13, 1912. The first bürgermeister is in a position comparable to that of the president of a republic; his position is not to be compared to that of a city's mayor.

18. As a rule, the principle is that municipal works and institutions must be operated by experts with a special training for their post. Public buildings are supervised by officials of the state who were trained at the technical high schools. According as they are wanted in the lower, middle or higher administrative service, officials have to get their training at the schools of the city or the state relatively, or at a high school. Officials wanting a position in the high administrative service of the city or state must be students of a high school and must have passed the examination prescribed.

DR. BEUKEMANN,  
*Director of the Bureau of Statistics.*

## CHAPTER XII.

### THE LAND INCREMENT TAX IN HAMBURG.

Hamburg, Germany.—In the eleventh article of this series, United States Consul General Skinner of this city was quoted as saying that the application of the principle of taxing the unearned increment on land was first a policy of the City of Hamburg but has since become also an imperial German policy, thus putting “into effect the Henry George theory of land taxation.” The precise extent to which this theory is applied is indicated in the following excerpt from an official report made by Mr. Skinner on this subject, and included in this letter.

Inasmuch as Houston recently attempted forward steps along this line, creating a lively issue between large landholders and the majority of citizens who own little or no land, it seems to me this brief recital of Hamburg’s experiment with the new tax theory should be interesting to our people, and possibly give them some light on the path. Here it is:

*Law Prescribing Payment of Taxes on the Increase in Value of Real Property.*—If, in the State of Hamburg, a piece of property is sold or transferred, it is subject to the payment of a tax if the proceeds exceed the amount realized upon its next preceding sale, or the value of the consideration which resulted in its last transfer. The tax is payable by the seller. The tax is not payable when property is acquired by inheritance or gift. The amount to be assessed for taxation is found by subtracting cost plus expenses incurred for construction, sale and transfer, from the price finally realized.

The expenses incurred to the seller in the way of improvements during the time when he owned the property, provided such improvements still exist at the time of sale or transfer, may be deducted, but under no circumstances interest on the cost of purchase.

If property passes into the hands of another, otherwise than by sale, but in consideration of an equivalent, and the amount of such equivalent can not be ascertained, the value of the property at the time of transfer is ascertained by appraisement. If the transfer or sale only refers to a relatively small share of a house or lot, the tax department may exempt the seller from the payment of this tax, but the proceeds of the sale of such small portion must be added to the proceeds of the sale of the remaining portion when sold or transferred later.

The tax rates are as follows :

Amount of increase—	Tax.
Up to 2,000 M. ....	1 % of increase in value
Over 2,000 M. to 4,000 M. ....	1½ % of increase in value
Over 4,000 M. to 6,000 M. ....	2 % of increase in value
Over 6,000 M. to 8,000 M. ....	2½ % of increase in value
Over 8,000 M. to 10,000 M. ....	3 % of increase in value
Over 10,000 M. to 20,000 M. ....	3½ % of increase in value
Over 20,000 M. to 30,000 M. ....	4 % of increase in value
Over 30,000 M. to 40,000 M. ....	4½ % of increase in value
Over 40,000 M. ....	5 % of increase in value

If the increase in the value since the last transfer of the property amounts to more than 10 per cent of the value at the time of the next preceding transfer, the following tax rate is added to the foregoing :

Over 10 to 20% .....	10% of the above tax rates
Over 20 to 30% .....	20% of the above tax rates
Over 30 to 40% .....	30% of the above tax rates
Over 40 to 50% .....	40% of the above tax rates
Over 50 to 60% .....	50% of the above tax rates
Over 60 to 70% .....	60% of the above tax rates
Over 70 to 80% .....	70% of the above tax rates
Over 80 to 90% .....	80% of the above tax rates
Over 90 to 100% .....	90% of the above tax rates
Over 100% .....	100% of the above tax rates

Only three-quarters of the above tax is charged if thirty years had elapsed since the last previous sale or transfer. However, if this period (between last and present sale) is less than ten years, one-quarter more is charged.

The department of taxes is charged with the fixing and collecting of this tax. The taxpayer receives a bill, which is payable within one month, but not before the transfer has been effected.

Exempt from this tax are Hamburg charitable funds, associations and institutes for benevolent purposes, or of general public utility. In cases of doubt the senate decides.

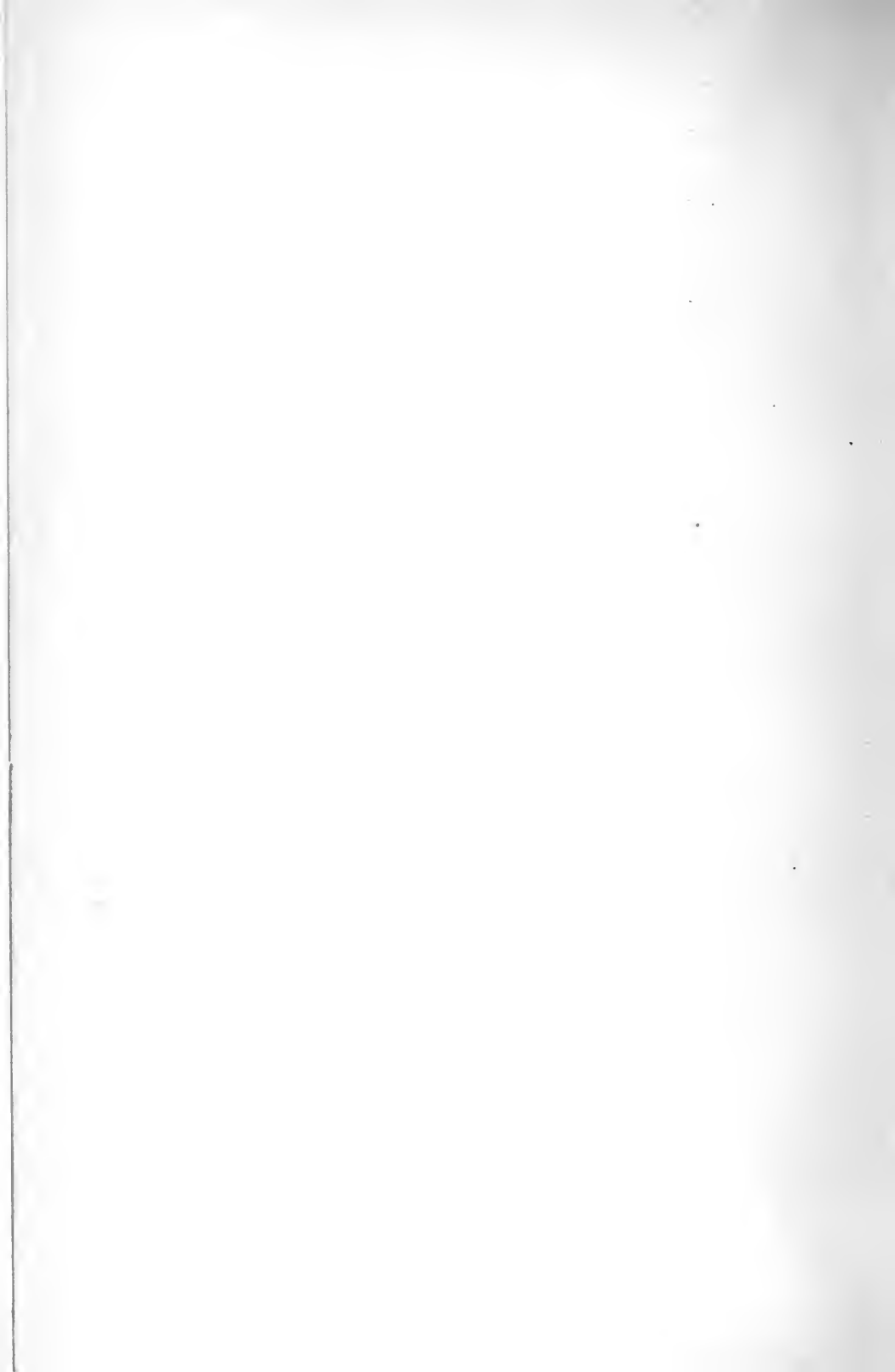
The party by whom the tax is payable must inform the department of taxes of the transaction, with details, and may be required to produce documentary evidence of the truth of his statements.

An appeal against the assessment must be made within a month after receipt of the tax bill, it being the duty of the taxpayer to prove the alleged injustice of the assessment, and to answer, verbally or in writing (if demanded), the questions propounded to him. The department of taxes decides. An appeal made later than four weeks after the receipt of the bill can be considered if proper reasons prevented the taxpayer from doing so sooner.

Incorrect statements, or failure to report the transaction, intentionally or in consequence of gross negligence, are punishable by a fine not to exceed three times the amount of the tax.

In special cases, where the collection of the tax would be an act of extraordinary hardship, the senate may reduce or waive the amount payable.

This law went into effect on January 1, 1908, it affecting all sales or assignments of real property where the transfer took place subsequent to December 31, 1907; and it will be applied to all such transactions until December 31, 1911, that is to say, for a period of four years. The act is, therefore, an experimental one and must be amended or re-enacted prior to expiration if it is to continue to remain in force after that date. In limiting the effectiveness of this law to such a short period it was the intention of the legislative body to learn whether it would produce sufficient revenue without working a hardship to the real estate owners or unfavorably affecting the value of property.









MAIN BUILDING OF THE RICE INSTITUTE, HOUSTON'S GREAT SCHOOL OF HIGHER EDUCATION, WHICH OPENED ITS DOORS IN OCTOBER, 1912, WITH AN ENDOWMENT OF MORE THAN \$10,000,000

## CHAPTER XIII.

### LOOKING INTO HOUSTON'S FUTURE.

Bremen, Germany.—I have just been reading, in the Chronicle of October 20, which was forwarded to me here this morning, Mayor Rice's public statement in which he reviews the work of his eight-year administration of the commission government of Houston. In that statement the mayor says:

"I can not but impress upon you the importance of your waterway. Already other seaports are being established upon the Texas coast aside from Galveston, and it behooves every citizen of Houston to study his own city, and strive for one of the greatest inland harbors of America. Our people must be watchful and see that our waterway is constructed on broad and safe lines, that the terminal facilities, wharves, etc., shall be owned and controlled by the city. It is the greatest asset this city possesses and it grieves me to see not only the outside speculators, but some of our own citizens, retarding the progress of this channel by buying land and speculating along its banks. Land that the government needs for dredging, to make a permanent waterway, is being held at a prohibitive price by some of our citizens. I suggest that an amendment to our charter be passed by the next legislature giving the City of Houston the right to condemn any land needed, and also police power between Harrisburg and Morgan's Point."

No thoughtful man can study the great inland seaports of Germany—and they are all inland, most of them much farther inland than Houston—without appreciating the sober wisdom of Mayor Rice's counsel to Houston quoted above.

Germany's world-beating advance in material wealth, and in the development of great modern cities and harbors, during the past forty years, was made possible through the exercise, by the cities, of just such powers as those which Mayor Rice urges shall be conferred upon Houston by the next Texas legislature. Here the selfish private profit, derived from speculation in lands which were essential to the community, has been made impossible. Benefits arising from increases in land values, due to demand created by community growth, have been absorbed chiefly by the city governments for the general welfare. Hamburg and Bremen, the great North German ports nearest the sea, are examples illustrating this policy. So are all of the score or more busy port cities along the Rhine, Weser and Elbe rivers, farther inland. Each has been able, wholly or in large part, to forestall, for the community, the private speculator in land values. When a tract of land was needed for harbor improvement, the city bought it, or

condemned it at a fair valuation, with borrowed capital. The city thereafter worked out carefully a general plan of improvements, both public and private, and resold parcels of the land for factory and warehouse sites, homes and otherwise, thus attracting new industries and getting back the original investment with an added profit.

My observations over here convince me the City of Houston, or a Houston harbor board, should own and control, for all time, enough land along either bank of the ship channel to enable it to provide for future widening of the channel, and to supply sites, at fair prices, for factories, warehouses and other betterments which private capital must establish there if Houston's ambition is to be realized.

If Houston acts on her opportunities, nothing is more certain than that the channel now in process of creation must be widened as well as deepened hereafter. The 150-foot bottom width which will limit the capacity of the original channel will not long meet the demands which will be laid upon it. Its ultimate bottom width—pretty certainly within twenty years—will be 500 to 1,000 feet, and its depth will be sufficient to float the biggest cargo ships.

There will be, as there are today in these great German ports similarly situated, numerous huge basins opening off the channel, and affording harborage for the commercial fleets which will come up to the rail terminals at Houston to deliver the traffic between the American West and the outer world.

The Houston harbor authorities will be spending money on the Houston ship channel a hundred years hence; that was fairly clear to me when we were hustling for votes to get the district created. It is a certainty in my mind now. I find each of the great harbors of Europe is controlled by a separate board or commission, whose membership includes the ablest men in the community. The Clyde Trust, controlling Glasgow harborage and the river channel down to the sea, is an illustration.

There is every reason why the Texas legislature should be glad to grant to Houston and Harris county the fullest desired power to create, along the channel between Galveston and Houston, the huge harborage which the commerce of the West and Southwest demand at that point. Because, while the burden of cost will fall upon Houston and Harris county and the Federal government, the benefits will be shared, throughout all the future, by every Texan who produces a pound of any product for export or who consumes any product brought into Texas by water. Houston and Harris county are building not for themselves alone but for the whole state and the whole West.

Mayor Rice's urgent advice that the wharfage in the Houston ship channel should be owned or controlled by a public body representing the people, and not left to be monopolized by combined private capital, is supported by the experience of the great ports of Europe, where the wisdom of that policy has been everywhere demonstrated. This means that further enormous sums of money must be invested by

public authority, to obtain title to lands, and to plan and in part to make improvements upon such lands. It seems to me our port authority should vest, as it does over here, in a separate body, since in time to come the local investments in harborage and channel will be almost if not quite as great as those in the purely municipal services. This port authority should have power to issue bonds as needed—and it will need a very wide latitude in this respect—without embarrassing the city proper in its borrowing capacity for municipal needs.

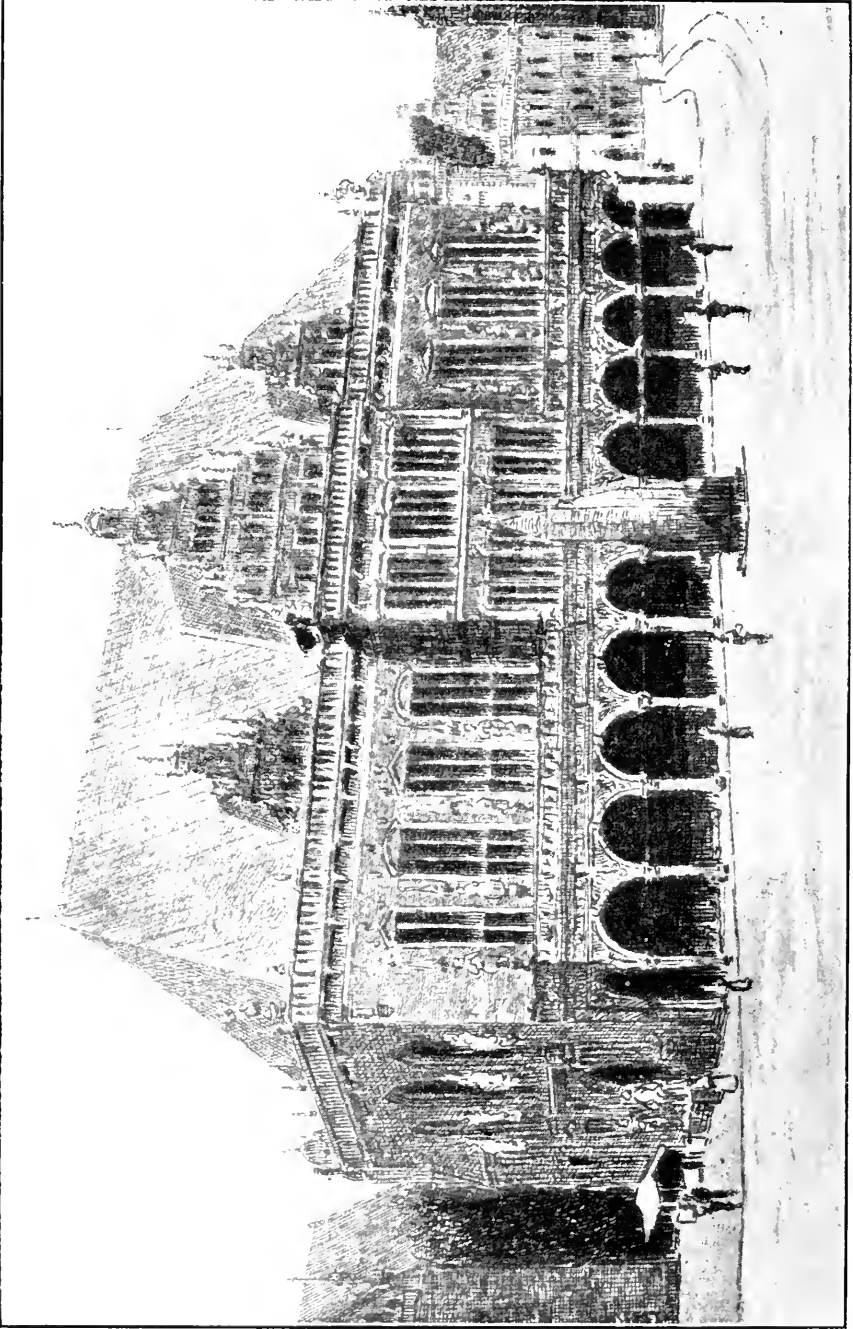
The time has passed when there is even a remote possibility of the creation of another seaport upon the Texas coast, or for that matter upon the American coast of the Gulf of Mexico, which can hope to rival the Houston-Galveston district. There will be other ports—for ports like cities are built where men build them—but the one great international seaport on the gulf will be where it is today, namely, in the Galveston-Houston district. All of the available water frontage within that district will in due time be needed, and used. Young men who cast their first votes November 5, 1912, will live to see the Houston harbor authorities doing what the port authorities of Hamburg have had to do, and that is, glean with a fine-tooth comb for every available foot of water frontage that can be made available, by filling, draining or other improvement, for industrial sites and harborage.

One steamship company alone runs forty lines, with a total of 453 ships, out of Bremen. The city-state could not economically make the Weser river navigable, at Bremen, for the huge vessels of recent times, so it bought a site and laid out a subsidiary city—Bremerhaven—farther down stream, where the river is wider and deeper. Here the big ships of the Nord-Deutscher Lloyd line dock passengers and freight. Vessels of lighter draught, but large enough to trade with the whole of the wide world, come up to Bremen and discharge cargoes in half a dozen basins made, owned and controlled by the public authority.

The ship channel is indeed Houston's biggest asset; it is also Houston's biggest responsibility and Houston's biggest obligation. Houston's recent growth has been largely built upon it in anticipation; Houston's future growth rests chiefly upon it. Houston should employ first-class harbor engineers on her own account and, supplementing whatever the Federal government may do, to study the harbor development of other great seaport cities, and make sure their best ideas are embodied in the development of the Houston harbor and channel.







THE RATHOUSE (CITY HALL) OF BREMEN, BUILT IN 1457, WHICH IS THE FIRST OF ALL THE RATHSELLARS



## CHAPTER XIV.

### THE APPRECIATION OF ART IN GERMAN CITIES.

Bremen, Germany.—This town is of especial interest to me for several reasons. First, it handles a hundred million dollars' worth of cotton every year, most of it from Texas, through the Houston-Galveston district. Second, it has a city hall dating from 1457, in whose basement is the daddy of all the ratskellers. Third, it has some of the handsomest public monuments in Europe, one in particular which I should certainly steal for Houston if I knew of any way to get it across. I allude to the Teichmann fountain, which is the most delightfully imaginative and in all ways alluring of the public monuments which I have seen. In the group of figures we have the ancient Norseman, standing with poised oar in his bull's-hide boat; beneath the boat, bearing it on his broad back and drawing it forward with mighty hands, the sea centaur; at the left side, clinging to the gunwale of the boat and looking upward with siren entreaty, the mermaid, seeking to draw the sailor down into the deeps; below, in the water, an octopus with tentacles twining around the limbs of the centaur; at the boat's prow, a very figure of flight, the young God Mercury, guiding the sailor toward the home port. The whole composition is alive; the artist caught the figures in the very stress of action. It symbolizes the history of Bremen—a sea-port's history; and it expresses the artistic genius of the Teuton at its best. For half an hour I studied it, saying to myself: "Good Lord, if we only had the equivalent of that in Houston! If we only had the trained talent there to produce such work! If we as a people only cared a rap for it! If we were not so utterly engrossed with mere getting and spending! If—but what's the use? Maybe the future will give us grace. Meantime, our job is to lay foundations for the fundamental decencies of city life. Above all, we must get good public highways. And before we lay down the permanent pavements we must complete the underground services, so that our paving shall not need to be torn up and badly repaired every six months. To do this we must spend money—more money than we have ever contemplated spending. The cost of not having good pavements is larger by far than the cost of building them. But we don't realize the cost of not having them, because we never have had them; whereas we do realize the cost of building them. Every foot of street in the City of Houston ought to be paved, and in the least possible time, just as every foot of street in these cities of modern Germany is paved—and most of the work done during the

past thirty years. When we get our streets paved, our water and sewers connected up with every house, our parks bought, and their development on artistic lines at least begun, then maybe we'll develop, or attract to us, the kind of talent that produces Teichmann fountains, and get beautiful works of art with which to refresh our souls."

All of which is set down not with any idea that it will interest the old fellows—the men of my own generation—but with the hope that it may inspire some of our boys or girls to seek careers in the least occupied of all fields of American endeavor—the field of creative art. I haven't a shadow of doubt we have the native talent in Texas to produce works of art as fine as any that adorn the cities of Europe; but we have not, as Europe has, the disposition to honor the artist, and to encourage him.

At this point let me suggest that an opportunity is open to our local millionaires. Houston needs an art gallery and museum—needs it as badly as she needs more sewers and paving, although the need is not recognized, probably, by as many citizens as perceive the need for the foundation laying. I find that in most of these German cities, with their scores of noble public monuments, the public administration has received aid, in procuring such ornaments for the municipality, from generous individuals and societies. These men delight thus to honor the city in which they dwell. They are glad to associate their names honorably with fine, costly gifts out of their plenty to enrich the lives of their less fortunate neighbors. This is especially true of Bremen, my favorite among the German cities. In this city is a savings institution (concerning which Mr. Fee, our consul, has lately sent an interesting report to the American state department), which expends its surplus earnings, above 5 per cent, in aiding the city-state to erect needed public service institutions, such as the big public bath house, schools, etc. The directors of this huge bank, with deposits of more than forty-five million dollars, receive no payment for their services; the business, under their gratuitous supervision, is conducted by salaried managers, with the sole aim to encourage saving by the working people of the city, and to provide a fund, from the surplus earnings, with which to help the city procure benefits for the people which it could not obtain from its own revenues.

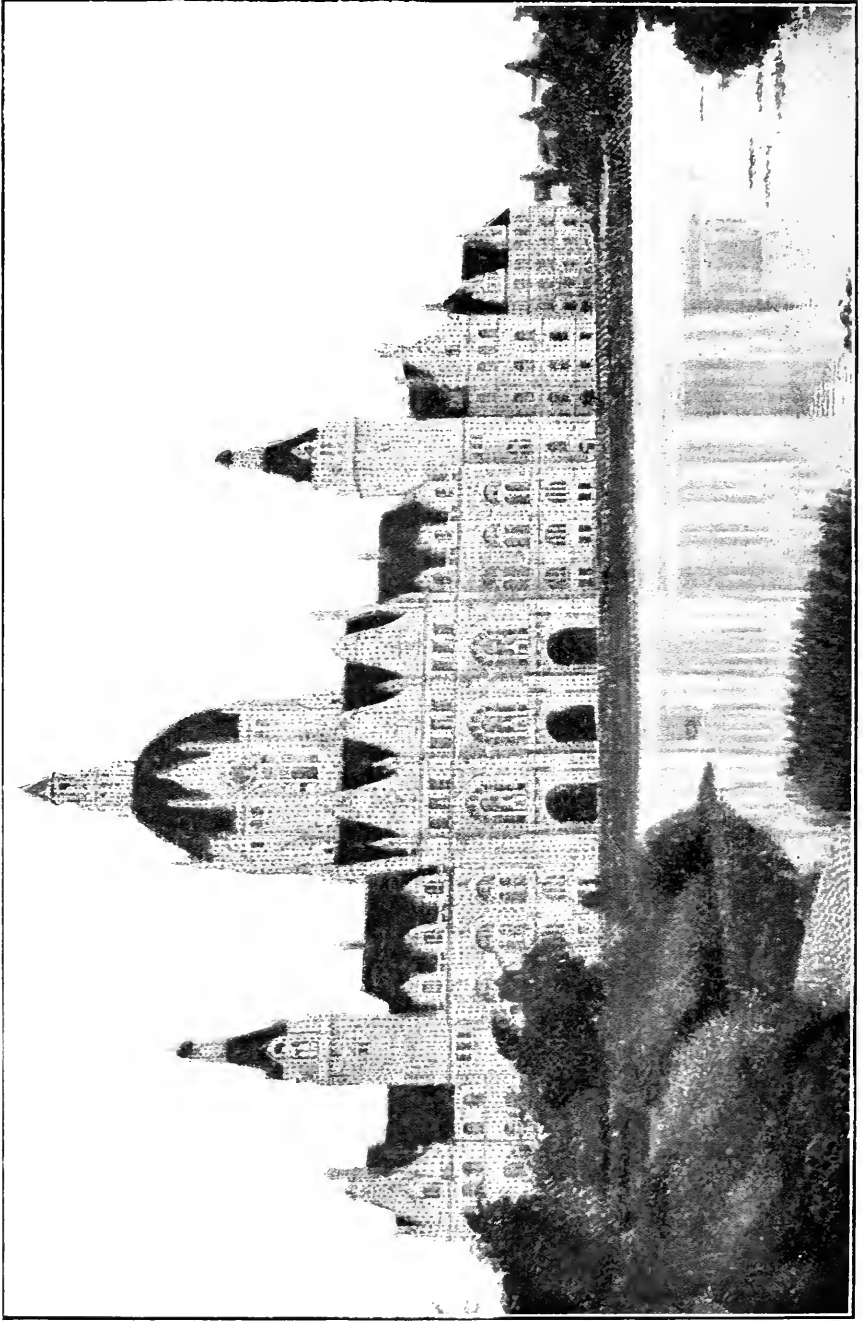
The rule of "everyone for himself and the devil take the hindmost," which has made America what it is—the wonder of the world and the despair of its soberest thinkers—has not governed here. The pace is slower than in America. The workers work longer hours, as a rule, but less hurriedly, and they play more, more innocently than in our big cities, with more real individual freedom. At night I find them by thousands gathered in the restaurants and cafes—all classes, enjoying social companionship, the cup that cheers but rarely intoxicates, and excellent music, at prices which they can afford to pay for the privilege of thus lightening the dull routine of life. They are happy people—as happy as it is given mortals to be in a world of disappointments and uncertainties. The men have all done army service—from

one to three years—and show it in their erect bearing, their manly pride of demeanor, their evident affection for the Fatherland. I have been converted to the belief that it would be a fine thing for America to require all our physically competent young men to serve with the flag for at least one year. Here in Germany it is agreed by those whose testimony is best worth taking that the universal military training has far more than made good (by prolonging the average term of life and by stimulating the general intelligence along sanitary lines especially), the loss of productive labor incurred through the withdrawal of the young men from the trades and professions during the period of their army service. We are long on theories in America, but some of those theories wilt in the shining presence of the concrete facts of the experience of older peoples.

From the Teichmann fountain, meditating as above set forth, I walked over to the ancient Rathouse, or city hall. It is a gem of fifteenth century architecture—the older portion. There is a new portion, a wing added in recent years to accommodate public offices. In the basement of the old Rathouse is the ratskeller, the first of all the ratskellers, and the one from which the name was taken. Entering the ratskeller down a stairway at the side of the front main entrance to the council chamber of the Rathouse, one finds himself, in the morning, almost alone, except for two or three white-aproned waiters, in an apartment perhaps eighty feet long and forty feet wide. On one side is a row of huge beer tuns, or barrels; on the other side a row of tiny rooms, each with its dining table and a cushioned seat for four persons on either side of the table. On the walls of these rooms famous Deutsch and Scandinavian artists have painted scenes from Deutsch mythology, or landscapes, or harbor views in other North European cities. Fronting me, as I sat down in one of these little doorless rooms, was a perfectly corking marine view, of Bergen in Norway. Watching the water gushing from the Teichmann fountain during the bright morning sunshine had made me unexpectedly thirsty, so I ordered a half-flask of Ingelheimer and sipped it meditatively, wondering the while how many years must elapse before we in Houston shall begin to manifest any appreciation of the value of mere beauty as a municipal asset. There for the first time the charm of the old things of Europe gripped me, and I began making mental comparisons between the real value of the old and the modern expressions of human intelligence. It is doubtless true that ours is the brightest little generation that has ever inhabited the earth—and yet, and yet?







THE MAGNIFICENT NEW CITY HALL IN HANNOVER, GERMANY

## CHAPTER XV.

### FACTS AND FIGURES FROM HANOVER'S GOVERNMENT.

Hanover, Germany.—Here in the ancient capital of the vanished Kingdom of Hanover, now a typical North German city, ultra modern, of 300,000 inhabitants, I have made my headquarters for the brief period allotted me to study municipal administration in Germany. From Hanover I have made visits to other German cities, and through secretaries have conducted a deal of correspondence with the officials of these cities.

Everywhere and from everybody, high and low, the visitor from Texas has received generous kindness and cordial co-operation in his efforts to learn something, out of the experience of German cities, which might be of use to his own city and to other cities of Texas. This is the more remarkable in view of the fact that the officials of German cities are frequently called upon to spend time and energy preparing replies to inquiries of this character. So far as I am able to learn, Houston is the first American city which has at its own expense sent a special commissioner to Germany on a mission of this kind, but there have been no end of such investigations made or attempted by representatives of commercial and political or semi-political organizations unofficial in character. Several American cities have propounded inquiries by mail to German city officials, and the replies to these inquiries, if their location was known, and their contents could be made available for arrangement and condensation, would doubtless afford a larger total of such information than any one investigator has or will be able to acquire.

Houston's inquiry differs from all the others in this respect: that it is an effort not only to acquire facts, but through personal study on the ground to apply those facts, in so far as may be possible, to our home conditions. This, more than the mere collection of facts, will, I hope, prove to be the most useful result of my tour of inquiry.

Houston's inquiry is, moreover, the first whose results have ever been published in a series of letters prepared to reach a large population weekly during the progress of the investigation. All other investigations made over here, by cities through the mails or by non-official organizations through men in the field, have been reported upon either in dry documentary form, for preservation in the files of the organizations which footed the bills, or in books, which have had but limited sale, and that almost solely among academic students of the subject, and have thus failed to reach any considerable number of the plain people, who must finally pass judgment upon any changes which may be proposed in our form of municipal government.

It is apparent, therefore, that the City of Houston has not only done a new thing in sending its own commissioner to study the question in the field, but has created a valuable precedent in the method of getting its report to the people.

The facts that Houston had officially sent her own investigator, and that Houston was publishing its findings weekly in newspapers reaching a very large number of American citizens, was undoubtedly influential in inducing the officials of some German cities to give especial attention to Houston's request for co-operation in developing the desired information.

The old world, officially, is mighty formal. Ben Franklin captured the court of the French king in American homespun—but he was the only man that ever did anything of the kind, and his fame as a philosopher and scientist, to say nothing of his extraordinary personal charm, was worldwide when he arrived in Europe. Today the foreign emissary to Europe, however obscure his station or relatively unimportant his mission, must go the gait prescribed by official custom, must be provided with credentials, the more formal the better, and must in short be prepared to play the good old American game of bluff to the limit. I suspect, in fact, the Americans learned that game in old Europe. I was up against it for fair, apparently, at the start (having no title of any kind except the one we coined on the spur of the moment in the city hall the day the city commission decided to send me over here), and my friends at the consulate here in a worried way asked me if I wasn't a "doctor professor," or something. When I told 'em I wasn't either doctor or professor or colonel or judge or even a justice of the peace, but just a plain untitled hombre from the gulf coast prairie, they scratched their heads and did some deep thinking. I had no Deutsch then, and was unsuspecting, but when the consul introduced me to the stadt syndicus (city secretary), as Herrn Docteur Putnam von Houston, Texas, U. S. A., I knew he had taken matters into his own hands and put me in right, as he saw the right. And I noticed that the stadt syndicus' manner thawed perceptibly when he caught that "Herrn Docteur" stuff. We submitted to him a list of questions concerning his city government, and he said he'd take the matter up with his magistrat (council), and the stadt director (mayor), to see whether or not they wished to give me answers to my questions. Then the consul and the "Herrn Docteur" bade him good morning and went out to begin making a first-hand study of the organization of life in a German city.

A few days later the consul received from the city government the following:

"We beg to give you the following information as to the questions of Mr. Frank Putnam of Houston, Texas, U. S. A.:

"1. All services produce income. Presupposing two sorts (a) such as show a surplus as a rule, (b) such as usually require a grant from the town treasury; to the first group belong the technical industries, to the second group such as are of social and humanitarian nature. Of the first the town of Hanover possesses two chemists' shops (drug



stores); one electrical works, various houses let to tenants, and real estate premises of various kinds; a market with cold storage; a savings bank; water works, partly well and partly river water, with various branches; fourteen restaurants, mostly in the woods, and four brick-yards. Of undertakings of the second kind the town of Hanover possesses: A home for the aged and infirm; one labor exchange, one workhouse, one refuge home for women, one information bureau, a home for consumptive patients where medical advice is given free, with treatment when patients are unable to pay for it; four baking establishments; one chemical testing laboratory; one disinfecting establishment; seven cemeteries; sewerage works (in which the city's sewage is prepared to be used for fertilizer); one museum; two infirmaries; one pawnbroker's shop; one public reading room; one slaughter house and cattle yard, where all animals slaughtered for human food to be consumed in Hanover are required to be handled, with inspection before and after killing; one public library; the town woods, and one orphanage.

"2. Information on this subject can not be given; this we regret. (I had asked when and how municipal services, formerly owned privately and now owned publicly, were acquired by the city.)

"3. The net income of the services: In the year 1910-11 the surplus obtained from the actual services amounted to 1,141,822 marks; of this 222,136 was from rent of houses and restaurants.

"4. The other sources of municipal income are chiefly from taxes, 10,127,286 marks; from invested capital, 181,273 marks; money paid by the gas company, the tramway company and Capital Insurance Association, etc., 1,401,222 marks; dues and fines, 256,798 marks. A large number of the administrative offices have their income at their own disposal; for instance, the police who look after buildings received fees, 185,006 marks; the board of works, dues and grants, 222,385 marks; the street cleaning department, 205,422 marks; the sewerage department, dues (rentals), 1,337,863 marks; the bathing establishments receipts, 187,858 marks; covered market dues, 205,422 marks; infirmaries, 652,768 marks, etc., and not the least item, fees for schooling, 1,853,521 marks. The total income derived from the various administrative branches, inclusive of the receipts from the above mentioned services, amounted, 1910-11 to 20,388,093 marks, while the total expenses absorbed 20,343,548 marks (about \$5,000,000).

"5. The municipality is not, of course, able to pay any abnormally great expenses from the current revenues, but requires for such purposes abnormal sources of revenue, which, as is the case elsewhere, are procured by means of loans subject to interest. Security is assured by the liability of the community. Contracts are never granted to certain interested groups, but are as a rule public so that anyone may bid. Public opinion insures the contracts being let fairly; contributory is the right of those elected by their fellow citizens to assist in settling the matter, and the composition of the commissions which have the final decision, consisting of disinterested members, officials, sworn professionals and experts. It may certainly happen that certain measures

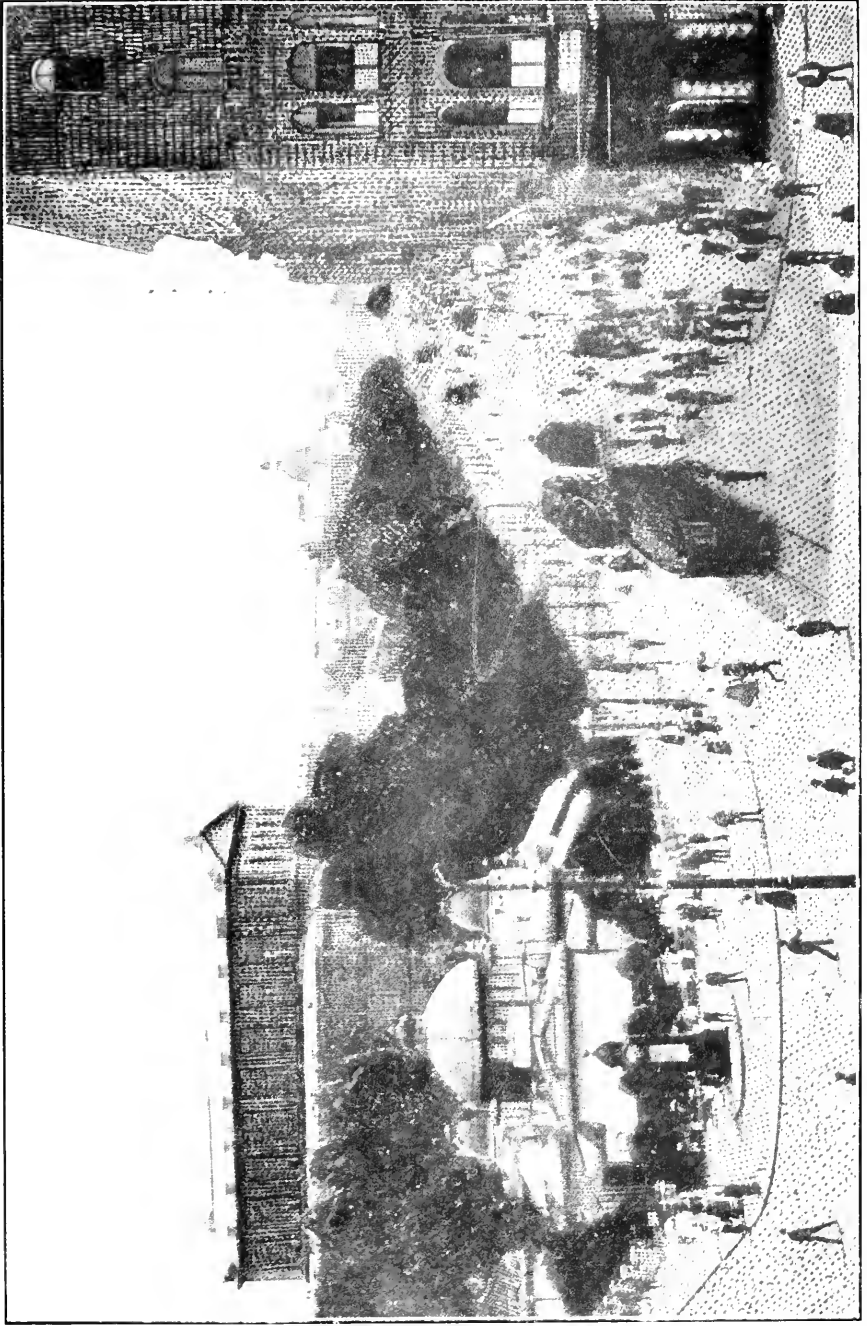
are adopted in German municipalities which insure preponderate advantages to some interested group (in so far as this group may possess a preponderant influence in the administration of the municipality), as the result of some municipal regulation, or the privilege of voting. Such occurrences, however, are exceptional.

“6. The privilege of voting (for members of the magistrat—the city council) is enjoyed in every German municipality, but the mode of according this privilege varies. In Hanover it is regulated by the rules laid down for Hanoverian municipalities. The distinguishing feature is that the privilege is not enjoyed by all the inhabitants. It is a privilege which is acquired in part by payment of a fee [equivalent approximately to our Texas poll tax plus payment of a required amount of property taxes], while it may also be partly obtained as a right.

“7. The leading men in German municipal governments have been educated at German universities or technical colleges. In some cases those who are awaiting some civil appointment act as town officials, i. e., young men who have had a practical education in various administrative branches, after being duly qualified are appointed to some post. Hanover does not possess any special school for teaching the theory of municipal administration, as there are in Dusseldorf, Cologne, Frankfurt-on-Main and Munich. Courses of lectures are delivered from time to time for officials in many German towns, as also in Hanover. In addition to this, students in Germany have opportunities of suitable instruction in almost all universities and technical colleges. We would recommend reference to the extensive and valuable literature on this subject and especially: (1) Statistical Yearbook of German Towns, published by Neefe, Breslau; (2) Municipal Yearbook, published by Lindemann & Sudekum, Jena; (3) comprehensive collection of works, non-periodicals: Wuttke, *The German Towns*, two volumes, Leipzig, 1904; Bucher, *The Big Towns*; Yearbook of the *Gehestiftung*, volume 9, Dresden, 1903; Preuss, *The Development of the German Municipal System*; Hassert, *The Towns*, Leipzig, 1907; Weber, *The Big Town and Its Social Problems*, Leipzig, 1908; Stengel-Fleischmann, *Dictionary of the System of German States and Administrative Regulations*, volume two, Tubingen, 1911, under the article, ‘Community’; Von Kaufmann, *Municipal Finances*, Leipzig, 1906; writings of the Association for Social Politics, volume 127:1, *The Municipal Finances*; Most, *The German Town and Its Administrative Policy*, Leipzig, 1912.

“Of comprehensive works on municipal promotion of economic and social politics: Adukes & Bentler, *The Social Problems of German Towns*, Leipzig, 1903; Damaschke, *Problems of Municipal Politics*, Jena, 1904; Lindemann, *The German Municipal Administration*, Stuttgart, 1906, and *The Politics of Work People and Promotion of Economics in the Administration of German Towns*, Stuttgart, 1904; writings of the Association of Social Politics, volumes 128 and 129, on ‘Municipal Services.’”





KROPCKE'S CAFE, HANNOVER, WITH IMPERIAL OPERA HOUSE IN BACKGROUND

## CHAPTER XVI.

### HANOVER'S MUNICIPAL RESTAURANTS.

Hanover, Germany.—At the junction of six streets, in the heart of the retail district of Hanover, the city owns a three-sided block of land, possibly one and one-half acres in size. On the narrow end of this block stands a cafe, one story high. Back of the cafe, on either side, the little block is bordered with tall shade trees, which also extend across the broad end of the block. Within the inclosure of the trees, at the far end of the block, is a bit of green grass with winding paths through it, and benches on which to sit. An old countrywoman (I have bought my morning apple from her so often that we now greet each other, "Morgen, Mutter"—"Morgen, Sohn") has a little fruit stand. A few yards distant from the stand, perhaps thirty feet back from the sidewalk, is a public comfort station, for men and women, with another old woman in charge. The middle portion of the block is laid out as an open-air dining and drinking garden, with chairs around small tables and on one side a pavilion for an orchestra. During the summer this little tree and shrub inclosed garden, situated in the commercial heart of a city of 300,000 people, is visited by hundreds of townspeople, clerks, shoppers and strangers, who look through the green walls, while they eat and drink, at the passing panorama of city life. At this season, when the chill of autumn is giving place to the decidedly shivery cold of approaching winter, few are sufficiently hardy to take a place at one of the outdoor tables. They go inside the cafe, which accommodates perhaps 200 people when filled, in real comfort, and at very moderate prices. These prices, by the way, are regulated by the city government through one of its bureaus, and can not be advanced by the lessee of the cafe without official permission.

This little block of ground, with its artistic cafe and cafe garden, its belt of tall green trees, its public comfort station and its restful bit of green sward, is a veritable island surrounded by busy streets lined with tall buildings. The city could readily sell it for an enormous sum, or could lease it, to be occupied with tall commercial buildings, for an annual rental running above a hundred thousand dollars. Instead, the city government has preferred to maintain it as an open space, for light and air and view, in its busiest section. It earns a good revenue—the lessee of the cafe pays seventeen thousand dollars a year to the city and would cheerfully pay more in due ratio if permitted to increase the ground size of the cafe—but this is precisely what the city won't permit. They have turned down propositions to that effect, as

if money were of no importance to them—and it is not when to get the money they find themselves called upon to sacrifice municipal health, comfort or beauty.

The little cafe is one of fourteen owned by the city, all operated under lease by private citizens, and all, like this one, subject to municipal regulation of service and prices. There are any number of fashionable and expensive cafes and restaurants in Hanover, where the sporty and the ennuied can get whatever they want by paying the three or four prices for it usually demanded in such places everywhere. The city government does not concern itself about these resorts of the rich, except as they come under the general police regulations. It does concern itself to provide, for the great majority who are not rich, but who must make every penny count, cafe and restaurant service, excellent in kind and at prices which the majority can afford to pay. Most of these city-owned cafes are in the public parks. There, on summer Sundays, or on a holiday, thousands of the workers with their families go, to hear the excellent orchestral or band music, and to sit in the shade of the trees, or walk in the woodland paths, and to share, in family groups, by twos or threes or singly, the service of the cafe. For two to five cents each—distance varying—they ride to one of the parks in an excellent street car—and the money buys a seat, invariably. In the park, for another ten cents, each gets a big cup of bully good coffee, or a big glass of real beer, with crisp rolls or biscuits or a fat slice of the black bread of the country. Meats are very high-priced in Germany. One of the bachelors at the consulate, inviting two or three of us in to supper, bade me bring a pound of pork chops. I paid 39 cents for that pound of pig, which in Houston, as nearly as I can remember, would have cost me not over 20 cents, perhaps 25. Yet the workingman visiting the city restaurant in the park can get a slice of meat with his black bread, a substantial slice, too, for another ten or fifteen cents. Just what kind of animal the meat—some of it—was when alive, I wouldn't like to say offhand. I have never tried the experiment of shouting "Whoa" to a platterful of it, but the thought has occurred to me once or twice. One thing I am sure of, and that is, the animal which supplied the meat was a healthy animal when slaughtered for food purposes, or the rigid expert inspection of the city's slaughtering bureau would have forbidden its use for human food. It is a fact that scores of thousands of horses, no longer useful for labor, are each year slaughtered for human food in Germany and in other European countries, too.

This brings in the subject of customs tariffs in Germany. The imperial government is really controlled by some 15,000 of the old lords of the land—titled owners of big estates in Prussia, politically classified as agrarians. The manufacturing interests of Germany have during the past thirty years grown to be far more important, in respect to capital invested and hands employed, than the farming interests of the country; but the agrarians, preventing a readjustment of electoral districts, are still able to make a few thousand votes in each of the districts which they control count for more than 200,000 or 300,000

votes of city working men in the manufacturing districts. So they manage still to hold the whip hand in the imperial parliament. They have been strong for the policy of protective tariffs, but they have taken the lion's share of the protection for themselves. The manufacturers of Germany have not been able, like the manufacturers of America, to shuffle the tariff cards to suit themselves. They have had some protection, but the major part has been taken by the landed proprietors, producers, by wage and tenant labor, of the country's food supply.

These great landlords have had the ear of the imperial government, that is to say, of the kaiser. Wilhelm appoints his ministers and they run the government pretty much subject to his will. The parliament cuts in now and again with a kind of negative protest against one policy or another, but the theory of the kaiser is that whatever of representative government the people of Prussia or of the empire enjoy, within the limits of their written constitutions, is a free-will grant from the divine-right ruler. And not enough power has been granted the parliament to enable it to make and enforce any national policy. Wilhelm is determined German farms shall produce the German food supply, and joins with the agrarian element which would shut foreign meats out of Germany as much as possible. This policy enables the landlords to get top prices for meat, but it is tough on the industrial element which wants meat to eat and has to pay high prices for it out of wages which average very low as compared with wage scales in America, or even, in a good many trades, with the wages paid in England.

Municipal restaurant undertakings, then, like those which I have briefly described in Hanover, are local governmental efforts to take a part of the curse of dear meat and bread off the city's industrial workers. Collectively, the city restaurants produce a considerable yearly net revenue, but more important than that they bring food within reach of a multitude at low prices and of guaranteed good quality, even though it be not always of known conventional origin. I have eaten meats of four or five different colors, cooked and cold, from a big platter on a long table in the open at Hanover's beautiful Tiergarten park, and have washed it—and the black bread spread with real butter—down with foaming beer made from real sure-enough hops and malt—and been content to ask no questions, the answers to which might have affected my American peace of mind. What a man doesn't know very often doesn't trouble him.

If I were planning a new city, to stand where Houston now stands, and to become the kind of city Houston now is, I should locate half a dozen cafe and restaurant sites around within the chief centers of commercial and industrial activity, and urge that the city government lease them to energetic citizens, subject to regulation and supervision, as to quality of food and prices, by a city bureau charged with the duty of safeguarding the people's food supply. There seems to be no ques-

tion but that a man with a special knack for it can manage a restaurant better than a man with no talent for the task, but who might be assigned to it perfunctorily by a city administration. And there seems to be no doubt but that the man with the knack for the job will make a better success of it if he has the incentive of ownership and prospective profits to stimulate his energy. But there seems also to be good warrant for believing that when the city, through ownership of the restaurant land and building, and through expert regulation of food quality and prices, holds a check on the profit ambition of the lessee, the best results all around are obtained for everybody. The lessee gradually accumulates a comfortable fortune; the city gets a satisfactory rental income from its property, and the rank and file of the citizens get good service and good food at fair prices.



## CHAPTER XVII.

### MUNICH'S MODEL MUNICIPAL REPORTS.

Munich, Germany.—With this article I transmit (for filing in the Houston Public Library) bound copies of the latest municipal reports of the City of Munich. These reports, differing only in detail from similar annual reports published by all German cities, form a model of municipal accounting. I know of nothing at once so complete, so informing, so readily understood by the average citizen, published by any American city. They are of course printed in the German language, yet anyone with even a little knowledge of Deutsch can quickly get the sense of them, and appreciate the thoroughness with which the business affairs of the city are made known to its citizen stockholders.

The value of this article consists chiefly in its demonstration of the means by which German cities get skilled labor in all their departments. I submitted to the magistrat of Munich a list of questions, covering chiefly (as instructed by my own city government) the finances. The mayor of Munich sent me the following reply:

Munich, 25th October, 1912.—Mr. Frank Putnam, Special Commissioner of the City of Houston, Texas, U. S. A.

Re the conditions of the Municipality of Munich:

The questions put are answered, as follows:

1. According to the last census in 1910 the Municipality of Munich had 595,053 inhabitants.

2. The gross revenues of the Town of Munich amounted in 1911 to 218,844,431.70 marks. (See page 1004 of the inclosed report on the condition of the municipal affairs; 2nd Part, Financial Results.)

3 and 4. The various revenues and their amounts, as also the application of them (expenses) may be seen from the accompanying financial report (inclosure 1). Compare the statements, p. 2, with 45, as also special references thereto, pp. 47-525, a compilation, pp. 712-713, and special references thereto, pp. 557-711; further, a synopsis, pp. 715-793, and special references thereto, pp. 794-895; and lastly, a compilation, pp. 954-955, and special references thereto, pp. 897-951.

5. The bonds payable to bearer at the end of the year 1911 for the Town of Munich amounted to 267,909,600 marks. (Page 972 of the report.) The Municipality of Munich has been in the habit of issuing for some years bonds, bearing interest, for defraying the expenses of

such objects only as are a source of profit; other public works and ornamental spaces bringing in no revenues are, as a rule, paid for not by means of loans but out of the funds received from various services.

6. The Municipality of Munich is liable for the redemption of the bonds it issues, and for the interest on them, with their whole property and the money which it can raise by taxes. The municipal authorities have to render an account to the supervisory board, i. e., the representatives of the government of Upper Bavaria.

7. The public works are as a rule supplied by contractors, tenders having been invited; these contractors are required when undertaking to do the work assigned or when delivering supplies, to furnish adequate security to the city treasurer, consisting of hard cash or value certificates; the amount of security to be rendered is determined in each instance and depends on the extent of the work undertaken or the amount of the supplies to be purchased.

8. The municipality is entitled to start and operate public institutions and industrial undertakings intended for the public good, so far as the regulations of the Bavarian communal standing order, in accordance with the legal statute, dated the 20th April, 1869; 19th January, 1872 (Arts. 1, 38 and 84), are not violated. Paragraphs 1 and 159 of the imperial trade regulations also affect this point as regards the industrial undertakings started and managed by the Municipality of Munich. (See the answer under No. 9.)

9. With a view to extending and supplementing the tramway service, the municipal authorities determined in the course of this year to give a concession to a joint stock company to organize a service of motor omnibuses for a period of fifteen years for a certain payment on certain routes. In addition to this, the municipality has in the past year contributed 51 per cent of the capital for founding a company for the establishment of electrical works outside Munich, so as to have more electricity at their disposal without the expense of enlarging their own works.

10. The following public services are in the possession of the City of Munich, and are managed by it: (a) The municipal wine vaults, (b) the electrical works, (c) the gas works, (d) the tramways, (e) the water.

For the financial results of these undertakings, see pp. 10, 100, 110, 124 and 292 of the report.

The gas works and the tramways of Munich were formerly in the hands of a joint stock company. The gas works were taken over by the municipality on November 1, 1899, a sum of 7,720,000 marks having been paid over by way of commutation. The service of the tramways passed into the hands of the city on July 1, 1907, a sum of 535,000 marks having been paid by way of commutation. In return for the payment of the above sum for the gas works, all the buildings, machinery, plant and equipment passed into the hands of the City of

Munich. In the case of the tramways the commutation sum was paid over to the former company for the houses only, which belonged to it; for according to the terms of agreement as to this service between the former company and the municipality the latter had already been gradually electrifying the tramways at the expense of the community.

11. As to the annual receipts from these services, see the financial report. The synopsis of contents which precedes the report, p. 3, renders it easy to find any particular service. The net receipts are applied for (a) the interest and the amortisation of the costs of plant; (b) the depreciation to be based on commercial calculations, as a reserve for a renewal fund for the works.

After deducting the expenditure for interest and amortisation of the costs of plant and for depreciation, the municipal services showed, in 1911, the following clear surplus profits:

The wine vaults. . . . .	116,262.26 marks.	(See p. 99 of the report.)
The electrical works. . . . .	1,650,964.64 marks.	(See p. 109 of the report.)
The gas works. . . . .	1,527,184.11 marks.	(See p. 123 of the report.)
The tramways . . . . .	1,331,147.44 marks.	(See p. 145 of the report.)
Waterworks . . . . .	153,810.00 marks.	(See p. 305 of the report.)

These net profits are placed to the account of the municipal treasurer for defraying the expenses for the general requirements of the administrative departments of the municipality. (Group 8, "Public Arrangements and Institutions"—see pp. 218-459 of the report.) The rates and charges fixed by the municipal statutes are not affected by the amount of the profits cleared from these services, but in the event of any being worked at a loss they are, of course, liable to be raised

12. This does not apply to Munich.

13. Regarding the fares charged on the municipal tramways, the prices for gas and cokes from the gas works, for electric current from the municipal electrical works, and for the supply of water from the municipal water works, refer to the inclosures, 2-6.

14. The wages paid to the employes on the public works may be seen on reference to inclosure 7.

15. The communal taxes in Bavaria form a certain additional percentage to the government taxes. The communal income tax for the year 1912 is, in Munich, 62 per cent of the government income tax. The amount of the assessment is fixed from year to year and varies according to the deficit of the communal budget for that year.

16. This percentage of 62 per cent applies to all inhabitants alike. Besides the income tax the government levied a tax on the income derived from capital of each year, a house and land property tax and a tax on trade licenses. The municipality levies an additional tax on these various kinds amounting to 186 per cent for the tax on the income from capital; 310 per cent for the house and land tax; 310 per cent for tax on trade licenses.

The mayor and the councillors, who have legal training, are chosen for three years, at the expiration of which time they are appointed for life or take their *congè*. The municipal secretaries and other officials, after serving ten years, are also appointed for life. No one can serve in municipal office unless he is a subject of the German Empire and has his domicile in Munich.

18. The municipal services in Munich are under the management of such officials only as have a special experience in each case. Paragraphs 14 and 15 of the statutes in force for Munich apply to a candidate for any municipal appointment, which are as follows:

#### PARAGRAPH XIV.

First—A candidate for an appointment in the administrative or treasury posts must possess the following qualifications, as a rule:

(a) Certificate of having passed the state examination in the special subject with a mark of distinction for which they will be employed for officials of classes 1 and 2.

(b) The same certificate for officials in classes 3, 4 and 5, so far as this may be required by the importance of the office held, or otherwise a certificate of having passed the examination held at the end in the special subject of their employment, at any rate a certificate of having passed the examination for intermediate posts in the government, or a municipality with distinction and in addition to this the final examination of a middle school with nine classes. The examination for the intermediate treasury posts, class 1, is regarded as identical with that for the intermediate administrative posts in the government or municipal services.

(c) For officials in classes 6 and 7 a certificate of having passed the examination for the intermediate administrative posts in the government or municipal service, or proof of the scientific knowledge required for the one-year service in the army, or certificate of having passed the examination for the intermediate treasury posts, class 2, with a mark of distinction.

(d) Officials of classes 8, 9, 10 and 11 must have attended several classes of an intermediate school, or hold the leaving certificate of some continuation school in lieu of the Sunday school, and in addition for class 8, a certificate of having passed the examination for the intermediate administrative posts either in the government or municipal service. For the other classes they must have passed the examination successfully which the municipality prescribes as necessary for the appointment of any official.

(e) A woman to be appointed in class 12 must have passed the final examination in a high school for girls, or of the Riemerschmid Commercial School, or of some institution of the same standing; at any rate she must possess the leaving certificate of a commercial continuation school and must have passed the examination for clerkships as is prescribed for classes 9 and 10.

Second—Officials of the 9, 10, 11 and 12th classes must, before the expiration of the probationary period (paragraph 39, No. 5), submit themselves for an examination defined for that purpose by the municipal council, and if they fail to pass this a second time, must quit the service of the city altogether. The arrangements for carrying out these regulations are made by the town council.

Third—Officials who are desirous of qualifying for a municipal appointment from class 7 upwards, but do not possess the certificate for the one year's military service, must submit to an examination of the same standard defined by the town council for this purpose.

Fourth—All officials seeking admission to the intermediate posts in the government or municipal administrative service must take part in the preparatory courses as arranged by the town council. Only those who have passed these preparatory courses with distinction may receive a certificate for admission to the above mentioned examination.

#### PARAGRAPH XV.

First—Officials with technical knowledge in classes 1 and 2 (government architects and those engaged at the board of works) must have passed the government examination, so far as there is any such provided for their profession, with distinction, while electrical engineers, mechanical engineers and chemists, for whom there is no government examination provided, and further engineers, former pupils of industrial schools, to whom the admission to the government examinations was formerly allowed but refused later, must have obtained a diploma of a German technical university in their special subject, with distinction. All competitors for posts in classes 1 and 2 must have had experience for several years in some responsible position and produce proof of efficiency in their special line.

Second—Classes 3, 4 and 5 are open to engineers only who possess a diploma. Proofs can be demanded as to the success with which they have passed the government examination in proportion to the importance of the post to which they are to be transferred. (Surveying engineers, district engineers for local board of works committee.)

Third—Class 6 includes the preliminary post for engineers with diplomas.

Fourth—For obtaining a post in class 7 or 8 a certificate of having passed through the school for building-workmen is generally required. They are, however, open to especially clever technicians whose training has been confined to practical work only.

Fifth—A certificate of attendance at a school for building-workmen or a certificate of having passed the final examination of an industrial continuation school or a school for some special craft suffices for admission to classes 9 and 10. The applicant for a future post with which an unusual degree of responsibility is connected, must furnish proof of his possessing the necessary capabilities and knowledge required by giving probationary service, the duration of which is determined by special regulations referring to this service.

The preceding contains the answer, also, as to the preparation necessary for the appointment of an applicant for municipal service.

It will be observed, from brief study of these reports on file in our public library, that salaries of municipal officials in Munich are not high, as compared with salaries of similar officials in large American cities. For instance, department chiefs, in charge of waterworks, streets, etc., get from 9,000 marks (about \$2,250) a year, down to as little as 3,000 marks, or about \$750. It should be borne in mind, however, that the mark is in Germany what the dollar is in America—the unit of the currency. While it will not buy as much here as a dollar buys at home—indeed, the traveler finds little difference in the cost of living here and at home—yet the native, who knows better how and when and where to buy, does in many respects make the mark do the work of a dollar in the United States. Further, the German cities are over-officered—or we would so regard them in our country. There are more than enough men to do the work, if it were done at the rapid pace we Americans have adopted. But our German friends are not in a hurry. They have time to eat four or five meals a day, and to take a late supper with beer or wine (according to the length of their purses), in the cafes at night. The building occupied by the police department of Hanover, with 300,000 inhabitants, is big enough to house a regiment—and pretty nearly does, a regiment of clerical officials and functionaries.

I transmit also, with the Munich reports, reports received from the city government of Frankfort-on-Main, which contain some special features of interest to students of municipal government.

## CHAPTER XVIII.

### GERMAN MANAGEMENT OF A DIFFICULT PROBLEM.

Leipzig, Germany.—As Elbert Hubbard observes in his little sawed-off and jammed-down magazinelet, "Those who don't know how to take the Philistine had better not." So, those who don't know how to take this brief article had better not.

Leipzig is famous as the chief publishing center of Germany, and has won celebrity during the past two years as the site of the largest and most magnificent railroad station in Europe. This station will cost when completed over \$35,000,000. Here as elsewhere in Germany, where all but a trifle over 1 per cent of all the railways are owned and operated by the government, city railroad stations, like the roadbed, are built as well as money and the best skill can build them, regardless of cost, because it is figured to be economical to build for permanency from the start. The state railway system, and other state-owned services, produce over one-half of all the Prussian kingdom's public revenue, and net about \$75,000,000 a year in clear gain. The service, by the way, compared with our American railroads, class for class, is distinctly better than our own, to say nothing of being a lot safer. It takes time for an American to get used to the side aisle and the little separate compartments, but when the first shock of prejudice subsides, and one gets the hang of the system, the average American in Europe will confess to you that he prefers the German way of transporting the public. On the theory that a man ought to be willing to try everything once, I have ridden in all four classes of German railway compartments—from the exceedingly clean, comfortable, elegant first-class down through the very nice second, the severely plain and often crowded third to the bare wooden compartment with seats for only about one-third of the passengers—as a rule—in the fourth. I have stood on my one good leg, in a mixed crowd of private soldiers and farm laborers, during a run of one hundred miles and been glad of the experience. The only way to get acquainted with a foreign people, so far as I can figure out, is to meet 'em. And I found them very jolly folks indeed, either too poor to pay for seats or sensible and sturdy enough to take that means of saving a few marks. They rode for less than one cent a mile, and they rode just as rapidly as the folks who paid something over four cents a mile in the first-class compartments.

But this is not what I set out to discuss in this chapter. My subject is the German police method of controlling the underworld in the cities. This is the subject of no end of difficulty for the authorities of all cities, although it is a subject seldom discussed in print and thus is probably not often taken under consideration by citizens. During twenty-seven years of newspaper work in many American cities, sev-

eral years of that time serving as a police reporter and thus in daily contact with the seamy side of city life, I have often wondered if there were any other phase of our American life so cruel, so brutally heartless, as the treatment usually meted out to fallen women. And I have often wondered if there were not, somewhere in the world, a people sufficiently civilized to have worked out a juster method of dealing with them than that which disgraces the average American city.

The policy of segregation has been pursued by most American cities during my period of observation. Herded like beasts within narrow limits, and there denied the most elementary liberties of human beings, these unfortunates (the victims, most of them, of society's unconfessed savagery), have too often been made the fruitful source of blackmail by conscienceless police departments, and sometimes have even been made a source of revenue for public use. In one Western city, twenty years ago, a substantial part of the public school fund was drawn each month from fines levied by the police justice upon these women. Voluntary societies, usually composed of benevolent women, have in several American cities done the little they could, without much official encouragement and with inadequate funds, to help a few of the unfortunate redeem themselves. But as a rule the American police system has refused to recognize the possibility that a woman in hell, and fully aware of it, might possibly, in all sincerity, wish to escape therefrom. I have known such women, in American cities, to be hounded by the police back into the pit from which they were trying desperately to climb up to the lost level of obscure respectability.

German police officials assure me that nowhere, in that country, are these women segregated into special districts, nor denied the usual liberty of action accorded to other human beings. Every resident of a German city is registered by the police department. If a traveler stays over a month in any city his name, his local address, his business or profession or trade and his home address are all required to be filed with the police department. Thus it is possible for the police to keep a check on every man, woman or child within their jurisdiction. Even the traveler stopping over night in a German hotel is required to give his name, occupation and home address. In the Leipzig police department—as in all others—these addresses, of permanent residents and of visitors who stay longer than one month, are filed away, listed by streets, and subjected to constant revision.

There is a special registry for fallen women in each German city police department. The police are presumed to know every woman who lives with a man or with men out of wedlock. In Berlin this list runs into the thousands, in Leipzig over 800, in Hanover to an even 300. These names, of course, are not open to press or public. The women are graded into four classes. In the first class are those who, known to the police as housekeepers, live with one man out of wedlock. These women are not required to report at police headquarters, but are required to send to police headquarters, every two weeks, a physician's certificate of sound health. The second, third and fourth classes in-



clude, respectively, women of divers grades who do not live with one but with more than one out of wedlock. These are all required to report in person at police headquarters, for medical inspection, twice each week, and the city pays the bills.

The German police system recognizes the fact that many of these women, being betrayed into indiscretion by reason of their youth and their credulous faith in man, wish to escape from the downward path which they see opening before them. Therefore, at each German police headquarters, there is employed one or more women, whose duty it is to hear and investigate all such applications for help in the effort to return to a respectable life. A girl who has made the first misstep, and, fearing to return to her home, has gone forward for a month or several months, comes to the matron, imploring her aid to get back on the right road. The matron communicates with or visits the girl's parents. She explains to them, out of her wider knowledge of the pitfalls of life (if the parents or either of them proves obdurate), their duty to forgive and take back their daughter and to give her their support in her attempt to make amends. I am told by police officials that hundreds of young girls are thus redeemed from lives of shame and ignominy every year, through the help of the police departments.

In other cases, as where a girl who has erred determines to live by labor, and gets work, she is required by the police department to report at regular intervals during the three months following, in order to make sure her reformation is lasting. During these three months she receives the aid and encouragement not only of the police department but of a society, which under different names does about the same service in all German cities. At the end of the three months probation she ceases to be under observation and need no longer report at headquarters.

Again, a woman of the underworld in a German city is asked by a man to become his wife—this happens often over here. The police department investigates the circumstances, both of the woman and of the man. If it appears that the man is able to support the woman, the marriage is sanctioned and takes place, and the woman passes from under police observation. If, however, it appears that the man is not able to support the woman, or if it appears that he purposes to make her support him by continuing in a life of prostitution, the marriage is forbidden.

Here, as elsewhere in the world (or such at least is the deliberate judgment of police officials and police matrons, who should know if anybody can know), most of the women of the underworld, and of the half-world especially, are driven by poverty to accept the aid of a man or of men. Recognizing this as a fact, the German police departments in no way molest a woman who accepts such aid, requiring only that she shall report at intervals for medical inspection. She is free to rent a room and receive friends there, unobtrusively, without police interference of any kind. But she must not engage in sex traffic in her room; for that she must go to a hotel. No quarter of any German city is set apart for, or exempted from, occupancy by such women.

The German police do not aim to limit their liberty, but only to prevent them, so far as possible, from becoming mediums for the transmission of the hideous diseases which attend the sex traffic. They recognize, as did Frances Willard in the last year of her life, that the traffic is chiefly economic in its origin, like drunkenness, due mainly to poverty and poverty's legitimate child, ignorance, and they say therefore that society, tolerating economic conditions which condemn thousands of the daughters of the poor to sell their bodies for bread and shelter, has already punished them sufficiently, without laying further unnecessary burdens upon them.

When I asked a prominent German police official if German cities ever laid a tax on prostitution, or derived any public revenue from it, he was as plainly insulted—and showed it in his manner—as if I had asked him whether he as an official had ever derived any such revenue illegally. Then I told him of the Western city which in my youth had levied such a tax, by the device of imposing fines upon the women at stated intervals, and I know he didn't believe me. The thing was monstrous and incredible from his viewpoint.

I have no suggestion to offer for the guidance of our own city on this subject. It has been handled there in the usual American fashion. I remember that the anti-prohibitionist leaders, in the last session of the Texas legislature, enacted a law, which Governor Colquitt gladly approved, forbidding the sale or gift of intoxicants in houses devoted to prostitution. The idea was to minimize the attractiveness of such places for the young and thoughtless citizens of the male sex, and thus to reduce the patronage of such places. The effect of that law upon the unfortunate inhabitants of the proscribed quarter, the women, is of course to withhold from them their only means of procuring even temporary forgetfulness of the horrors of the hell into which youthful folly, blind trust in man's honor, or poverty has plunged them. It is a good law so far as it goes, but it is distinctly a man's law—drawn to protect men, with no thought for its effect upon men's victims.

This is one of the saddest, most perplexing problems with which municipal administrators have to contend. Good people generally, having no official responsibility, can comfortably forget it or ignore it—and usually do so. But it is neglected only at society's peril. One of the cleanest, ablest, most vigorous thinkers in Houston, a lawyer of high standing, said to me, a day before I set out on this journey: "The segregation of fallen women in a special district, where they are cut off absolutely from any possible contact with decent people, from any refining or reforming influence, is a damnable outrage against the laws of man and God. I want you, when you reach Europe, to learn how the older countries, which have studied this problem centuries longer than we, have solved it, and I want you to lay the cold facts before our people. I am sure our Houston people want to do what is just and right, but I am equally sure our existing policy with regard to this problem is all wrong, and if you find the experience of the old countries proves it wrong, I want you to say so."

I report the facts as I find them.

## CHAPTER XIX.

### DUSSELDORF, "THE SHEFFIELD OF GERMANY."

Dusseldorf, Germany.—Nothing that I saw more forcibly illustrates the wide gap between the highly socialized industrial life of Germany and the laxly socialized industrial life of the British cities, than the contrast between Sheffield, which is often alluded to as "the Dusseldorf of England," and Dusseldorf, which is sometimes called "the Sheffield of Germany." The cities are likened to each other solely because each is the chief seat of the iron and steel industry of its country.

The German city system, looking closely and carefully after the welfare of the humblest citizen; ministering to his need not only of decent and economical housing, cheap food and ample cheap transportation and the other necessities of life, but also providing him with an abundance of excellent and free or low-priced entertainments and recreation places, affords a vivid contrast in municipal house keeping with the English system as exemplified in Sheffield. Dusseldorf is throughout planned and governed by its ablest men with the primary purpose to procure for all its people the maximum of health, comfort, pleasure and civic beauty, whereas in Sheffield the want of civic pride, and of a civic attempt to introduce the element of esthetic beauty into the lives of the people is conspicuously wanting. Dusseldorf exhibits, as do in degree all the other great modern cities of Germany, the singular and striking fact that the Germans are the foremost people on earth in solving to an appreciable degree the new problem of feeding, housing, educating, amusing and intelligently governing the vast army of farm and village folk who, during the past half century, have swarmed into the cities to serve the complex machinery of modern industry.

Yet Sheffield, unspeakably ugly as it is for the most part, and especially in those quarters inhabited by the army of its working people (and here is exhibited, grim and stark, that English genius for efficiency in the conquest of material wealth), has the best and cheapest street railway service in Europe—the fare to nearly all points within the city is, under the zone system, a single penny American—and the cheapest gas, municipally supplied at 35 cents per thousand cubic feet. The city of Sheffield has made good in operation of these public works; it has failed miserably, contrasted with Dusseldorf, in providing for its workers clean, healthful, attractive housing and low-priced entertainments and diversions. How much of this failure is racial and temperamental, due to soil and climatic environment, and

how much may be due to the Puritanical traditions of the country, I do not undertake to say. Probably it is chiefly due to the fact that, whereas in German cities private profit is subordinated to the social welfare, in Sheffield as in American cities private profit is paramount. The merits of the two systems are exhibited in their fruits.

My inquiries addressed to the city government brought to me the following reply:

The Oberbürgermeister. IV C. No. 626. Dusseldorf, November 14, 1912. Mr. Frank Putnam, *Special Commissioner of the City of Houston, U. S. A., to the Cities of Europe.*

Sir: In reply to your favor of October 4th, I beg to hand you herewith municipal report for 1911, as well as the "Pocketbook of the Bureau for Statistics of the City of Dusseldorf," which has been just issued. These booklets will be a good help for you in your studies.

Below please find your questions answered in detail as follows:

1. Present population, 390,000 inhabitants.
2. The municipal budget for 1912 balances with 50,775 marks in revenues and expenditures.
3. As for sources of municipal revenues, see pocketbook, pp. 82-90.
4. In regard to expenditures made from the revenues, see under "Expenses," pp. 82-91.
5. Debts amount to 167,399,087 marks. See p. 81 of pocketbook.
6. Bonds bearing interest are issued; security thereof is guaranteed by municipal property and taxes paid. The municipal administration has to render an account for public loans to the town council and the royal government. We think that, in this connection, the book written by Dr. Most, "Administration of Debts of German Cities," would be of great interest to you. This book was issued in Jena, 1909.
7. Public works are intrusted to contractors bidding for them; small public works are let without competitive bidding. In case of the work being important, the contractor has to deposit a guarantee.
8. The tramways are not owned by the municipality. A street car company pays yearly a "recognition fee" to the municipality, likewise a fee for the right of using the streets.
9. With the exception of the tramway line mentioned above, all public institutions are owned and operated by the municipality. You will find them enumerated on page 82 under "Etat for independent revenue-giving institutions"; and, with the exception of the port, the concert hall and the Zoo, all of them are sources of income and work with a surplus.
10. The Statistical Pocketbook gives you every detail regarding each public institution; above all, Dr. Most's book, "Municipal Institutions of the City of Dusseldorf," issued among the books of the "Corporation for Social Politics," Vol. 129, 2nd part, Leipzig, 1909, will be of use to you.

11. The revenues of the city from its public institutions are to be seen under XI, p. 85, "Revenues and Additional Supplies of the Independent Institutions and Administrative Offices." In case the institutions work with a surplus, prices are sometimes lowered; this has been done lately at the electric works and the tramway.

12. Regarding the only one public institution not owned by the municipality, viz: the tramway line, the city participates with 61 per cent of the share capital; for this reason the city participates greatly in the net gain of this tram.

13. As a rule, the tariff on tramway is 10 pfennigs, that is to say, one rides four kilometers for 10 pfennigs. The price of gas for lighting, heating and cooking purposes is 13 pfennigs, for power purposes, 8 pfennigs per cubic meter. Electric current costs 40 pfennigs per hour for lighting purposes per kilowatt hour; for power, 14 pfennigs per kilowatt hour. Special contracts are made with persons wanting big quantities.

14. Public buildings are erected by private contractors; the wages they pay vary. Regarding tax units, see p. 93 of pocketbook.

16. Everything concerning the tax system as a whole is laid down in the book of Matthias, "Municipal Self-Administration in Prussia," Berlin, 1912, edited by Franz Vahlen.

17. The book mentioned above would give you essential enlightenment as to No. 17 of your questions. The oberbürgermeister is appointed for a term of twelve years, the assistants also; municipal office clerks and cashiers for life. The period of service of the present officials varies very much. Most of them were not born in Dusseldorf.

18. The book of Matthias will enlighten you regarding this question.

Hoping that these communications and the books recommended will be of use to you in your studies,

DR. MOST,

*Representative of the Oberbürgermeister.*

The Dusseldorf Statistical Pocketbook for 1912, and the city's Yearbook for 1911, containing much additional historical and statistical information, with a map of the city showing its plan of development for industrial and residential sections, parks, boulevards, playgrounds, etc., have been sent to the Houston Public Library. The volume reporting, with numerous maps, etc., the city-planning section of the international municipal congress held in Dusseldorf in September, 1912, where Houston was the only American city officially represented, has also been placed on file in the Houston Public Library, and the full report of the proceedings of that congress will soon be received by the library.



## CHAPTER XX.

### BERLIN, THE CITY MAGNIFICENT.

Berlin, Germany.—Kaiser Wilhelm, coming to the German throne, is said to have declared his purpose to make his capital, Berlin, the most beautiful city in Europe. Wanting the help of nature, he has not succeeded in doing that, because it was impossible to make a city standing where Berlin stands equal in beauty to some other European cities more favorably located; but Berlin, in the opinion of some travelers, is by far the most attractive of all the large cities of Europe.

Its wide, perfectly paved and perfectly kept streets, its spacious and charming public parks, its freedom from overshadowing skyscrapers that mar the skyline and shut out the sunlight in American cities, and its nobly beautiful churches, public buildings and monuments, make Berlin the Mecca each year of a larger number of students and pleasure seekers. It is predicted that within a few years Berlin will have taken Paris' place, so long held, as the "capital of Europe."

I found the asphalt streets of Paris marred by many ruts and gaps, badly repaired and dirty. In one Paris street I saw city workmen repairing a wooden pavement with uncreosoted blocks. In Berlin the streets are kept as clean as a parlor floor. I saw Berlin, Paris, London and New York, the four great cities of the Western world, all within twenty days. In each city my attention was directed by chance to work done by city employes in laying or repairing paving. In the Strand, London, I found city workmen patching the wood block pavement. They told me the wood block in the Strand had been in service over a dozen years. It is still in excellent condition, although one of the most traveled streets in the world. The foreman of the gang told me that in the early wood block construction it was the custom to lay the blocks down with a slight space between them, to allow for expansion during wet weather. He said experience had proved this system faulty, since the blocks when so laid tend to wear round at the surface and become cobbly. In the new construction, he said—and I found the same principle observed in laying wood block paving in Monroe street, Chicago, three or four years ago—the rule is to lay the blocks snugly against each other, give them a thin coating of liquid asphaltum, then sprinkle with sharp sand. The London highway authorities esteem a pavement of this kind the best that human ingenuity can produce, but they tell me it costs more, when properly made, than any other. The London municipalities, or most of them, operate their own creosoting plants and prepare the blocks. The blocks I saw laid down were five

inches high, and were placed on a foundation of concrete eight inches thick at the curb and twelve inches thick at the crown of the street. An inch of space was allowed at the curb for expansion. In New York I saw city workmen taking up asphalt, which had been laid down years ago without any concrete foundation, and replacing it with creosoted wood blocks. The foreman of the work told me the city had recently laid down a great many miles of wood block paving; that, notwithstanding its larger cost, it was believed to give most for the money in the long run, when built right. He said the city was "experimenting" with a short street paved with uncreosoted wood block, which suggested the possibility that New York may yet "experiment" with thatched roofs to reduce the fire hazard. Incomparably the best built, smoothest, best kept and cleanest streets in the four great cities are the streets of Berlin. London and New York still retain—and even from time to time lay down anew—considerable stretches of the vehicle, hoof and human nerve destroying cobble stone pavement. Berlin's streets were laid down by men who were aware that motor-driven vehicles are to predominate in street traffic of paved cities now and hereafter.

Transportation in Berlin is plentiful, cheap and excellent in kind. Street cars and underground electric cars are swift and clean and fares are lower than in any American city, not even excepting "three-cent Cleveland." Your taxicab, equipped with all the latest devices for personal comfort, costs you 15 cents for the first mile, 10 cents each subsequent mile; if taken by the hour, it can be used all afternoon for approximately \$3. Compare this with the outrageous charges exacted by taxi companies in New York and Chicago, and with the \$3 per hour charge made for the use of old and untidy rent motors in Houston, and you'll understand why the noiseless, manureless, flyless and runawayless taxicab has virtually put horse-drawn vehicles out of business in Berlin. Even a man who loves horses—and it is my private opinion the Almighty never made anything handsomer than a high-spirited thoroughbred—has to admit that in our motor-driven age the continuance of any kind of domestic animals in crowded cities is a survival of ancient habit, a source of uncleanness and a menace to human health.

The average tax borne by each man, woman and child in Berlin is about \$25 a year, which is more than the average of direct taxes paid per capita in Houston. Considering that per capita income is easily twice as large in Houston as in Berlin, it can be understood that the German citizen, and especially the German workingman, speaks truth when he complains that he is heavily taxed. He is indeed taxed almost if not quite twice as heavily as his American cousin.

The principal difference between the American and German tax systems, says Consul General Thacher, is that in the United States an estimate is made of the necessary municipal expenditures for the ensuing year, and the tax rate on taxable property both real and personal is fixed accordingly. In Germany, an estimate for this purpose is not made in advance, but the rates of the various taxes from which municipalities derive their income are fixed by law.



The state income tax is based upon the taxable capacity of the individual according to his income out of real and personal property. The municipal income tax is a certain percentage of the above tax, ranging from 90 to 250 per cent. In Frankfort-on-Main, for instance, the percentage is 90, in Berlin it is 100 per cent, while in some of the smaller cities which are under unusual expense owing to the large improvements which have been made to keep pace with their rapid development, the percentage is 250, which is the case in Spandau.

It should be borne in mind that when the German cities have paid off their bonded indebtedness incurred to buy or build revenue-producing public utilities, the surplus earnings from these utilities will not, as now, be used in large part to pay interest and principal on this bonded debt, but will become so much clear profit for the municipality. In that day, which is not more than forty or fifty years distant, the cities can either absorb these surplus earnings in extensions and improvements of the public services, or by reducing charges for these services, or can employ the surplus in acquiring or creating additional public services. It seems to me likely the last suggested course is most likely to be adopted, since the march of invention and the constant multiplication of human needs in cities creates ever new demands upon municipal revenue.

To become the mayor of a city like Berlin, says our consul general, the applicant must have established his reputation for efficiency by successfully governing another or other German cities. His career is carefully scrutinized by the members of the town council who select him, for not only must he be competent but must be still so young as likely to remain competent for many years, for a mayor in Prussia is elected for a term of twelve years, and if not re-elected is entitled to a life pension of half the amount of his salary. After a service of six years his pension is one-fourth of his salary, and after serving twenty years, two-thirds. He may not necessarily be a resident of Berlin at the time of his appointment; in fact, the mayor is usually chosen from another city. He is elected by the town council, subject to confirmation by the king of Prussia. When it becomes known that the office of mayor is to become vacant, applications for the position are considered by a committee of the town council, and if municipal officers have made especially good records in other cities, they are requested to apply, if they have not already done so. After a thorough discussion of the merits of the applicants, a selection is made. In the administration of the City of Berlin there are two mayors, the oberbürgermeister or chief mayor, and the bürgermeister or mayor. The method of election is the same for both. The town council also elects the other members of the administration (magistrat), which with the two mayors includes thirty-six members, sixteen of whom are paid and twenty are honorary officials. The election of all the members except the two mayors must be confirmed by the governor of the Province of Brandenburg.

The members of the town councils are elected by the taxpayers. The latter are divided into three classes, according to the amount of taxes each pays. Each class selects one-third of the town councillors; thus

the small number of large taxpayers select as many councillors as the much larger group of medium taxpayers and as many as the very much larger group of small taxpayers. It is esteemed a high honor to be chosen a councillor, and no salary is paid members of the council. If a citizen being elected to the council, fails to qualify, he is subject to a fine.

In addition to the town council of Berlin there are about ninety "citizen deputies" chosen by the council from among the most distinguished citizens to serve as advisory members of council committees charged with supervision of various municipal interests, such as parks, schools, the care of the poor, etc.

The heads of the city departments are appointed by the chief mayor.

There is not much political democracy in the system as above outlined. It is government by highly trained specialists in government, the few, and is tolerable only because it produces better results, for the general welfare, than our democratic system has yet produced in any American city. The "sovereign citizen" of America pays for his political sovereignty by holding administrative efficiency down to the level of the mass intelligence—or more often the mass indifference.

The German masses strive continually for larger political privileges, believing they can use these privileges to obtain higher wages and larger social insurance guaranties—against sickness, unemployment, accidental injury or death and old age. They may err in believing the democratic rule of the masses would procure these benefits, but it is a fact that their pressure for such rule brings them constantly larger measures of these benefits granted by the ruling minority.

## CHAPTER XXI.

### LATEST OFFICIAL DATA ON BERLIN.

Latest official data on the City of Berlin is given in the following letter from the city government:

Berlin, December 19, 1912.

Mr. Frank Putnam, *Special Commissioner of the City of Houston, Texas, U. S. A.*

Dear Sir: The propounded questions we answer as follows:

No. 1. The population of Berlin, November 1, 1912, was 2,090,715; at the last official census, on December 1, 1910, Berlin had 2,051,297 inhabitants.

No. 2. The gross revenue of the city for 1911 was 363,120,789 marks (over \$90,000,000).

Nos. 3 and 4. The enclosed general report of the city's budget for 1911 gives full information on this question. The city derives its greatest income from taxes, to the amount of 95,308,169.83 marks (about \$22,700,000). The very exhaustive reports dealing with all funds received and disbursed by the city exchequer shows that all revenues of the different city departments exceeded all disbursements to the amount of 7,705,272.91 marks during the fiscal year 1911.

No. 5. The bonded debt of the City of Berlin at the close of the fiscal year 1911 was 481,393,455 marks (\$114,617,549).

No. 6. From the enclosed report of the loans made by the City of Berlin the purpose and amount of each loan can be seen. The entire assets of the city and its taxing power serve as security for these loans. Each loan is authorized by the secretaries of the interior and the treasury, after having received royal sanction.

Each loan contains a sinking fund clause, stipulating the amount that must be paid off annually. A full report of these transactions has to be submitted to the City Council annually.

No. 7. The street and bridge commission is authorized to make contract and purchase material to the amount of 3000 marks (\$715), freehanded, under the general condition established for this purpose. It is left to the discretion of this commission to call for bids from several contractors, or not, and to accept any of the submitted bids, according to its own judgment.

All other contracts and purchases, exceeding 3000 marks, must be made by public bids under the specified ordinances issued for this purpose. We enclose the conditions for making bids (beitungs bedingungen); the general contract conditions (allgemeine vertragsbedingung),

and special regulations (besondere bedingungen). Before a contract is awarded to any firm, the ability, capacity and general worth of that firm is carefully examined, and the successful bidder must guarantee his work by depositing a valid bond of sufficient amount to indemnify the city against any loss from non-fulfillment of the contract conditions. It will suffice to state that the conditions and regulations are prepared with the utmost care and protect the city's interest in every respect.

No. 8. The occupying and the use of streets, bridges and public squares is granted to the postal department of the German Empire to a certain extent by the telegraph road law. Besides this the use of public streets is granted to the tramways, electric cars and underground railway by the railroad law of July 28, 1892. In every instance the use of public streets and thoroughfares by private corporations is regulated by special contract, that binds the corporation to pay a certain annual sum to the city, besides the keeping in full repair of that part of the streets used by said corporation.

Regarding the granting of the use of streets, bridges and public squares to gas companies, we refer to the enclosed pamphlet No. 34. This pamphlet contains a contract entered into by the municipality of Berlin and the Imperial Continental Gas Company in 1901, for a term of twenty-four years, in which the territory of Berlin was divided for the supply of gas for public, private and commercial use between the municipal gas works and the Imperial Continental Gas Company. The latter agreed to pay the City of Berlin an annual rental for the use of the streets that amounted for the first year of the contract to 477,541.37 marks, or approximately \$100,000. Every three years during the life of the contract this rent is readjusted to conform with the increased volume of gas supplied by the Imperial Continental Gas Company.

No. 9. Municipal works:

Establishment—	Receipts.	Expenditures.
Gas works . . . . .	87,563,399.59 M.	78,954,834.98 M.
Water works . . . . .	18,114,913.76 M.	15,316,930.60 M.
Canalization and farms. . . . .	24,712,257.60 M.	26,248,826.20 M.
Cattle market . . . . .	3,855,184.39 M.	3,160,441.59 M.
Abattoirs . . . . .	2,961,958.25 M.	2,558,421.60 M.
Meat inspection . . . . .	8,845,973.94 M.	7,343,441.16 M.
Market halls . . . . .	4,357,561.26 M.	3,872,166.42 M.
Street railroads . . . . .	2,629,961.80 M.	1,987,146.49 M.
Public warehouse . . . . .	134,694.61 M.	86,629.56 M.
Construction of East harbor. . . . .	2,361,426.10 M.	3,159,579.71 M.
Total . . . . .	156,067,326.37 M.	142,685,418.19 M.

This shows that the City of Berlin derived annual net revenue of 13,500,000 marks, or more than \$2,000,000, from the different public works or utilities which it owned and operated in 1912.

No. 10. The municipal water works were bought on July 1, 1873, for 25,125,000 marks (\$6,000,000), from an English association. The loan floated for the purchase has been repaid several years ago from the profits derived from the operation of the works.

The street railroads were owned and operated exclusively by private concerns to the year 1908. Since July 1, 1908, the municipality conducts street car lines built by the city. (These, of course, are in addition to the main service, which is still in the hands of a private company.)

No. 11. The yearly gross receipts obtained from the different branches of public service are shown in Chapter II of the enclosed report (enumerated above). The profits are almost entirely used for the general welfare of the community. A reduction in charges does not take place.

No. 12. The Berlin electric works (privately owned), have to pay to the city 10 per cent of their annual gross receipts and 50 per cent of their net profit, for the franchise of laying cables under the streets. From this source the municipality received 6,369,807.25 marks (\$1,516,621), in 1911. The street railway company is also required to pay the city for permission to lay tracks along the streets. The street railway companies paid into the city treasury 4,296,996.72 marks (\$1,025,416), in 1911.

No. 13. For each uninterrupted ride on the street cars 10 pfennigs (2½ cents) is charged. The street railway companies also sell: (a) monthly cards, at 6.70 marks (\$1.30) per month; (b) pupils' cards, at 3 marks (72 cents), per month; (c) weekly cards, for mechanics and laborers, at 50 pfennigs (12 cents), and 1 mark (24 cents), good for one or two trips daily during the week; (d) police cards, at 2.05 marks (50 cents), and 3.10 marks (75 cents), per month to policemen in uniform, and detectives. For taking a dog in cars the passenger must pay full fare, 2½ cents.

The price of gas at present is .13 mark (3 cents) for one cubic meter, on which price a rebate of 5 per cent is granted. For gas used for business purposes other than for illuminating, the following rebates are granted: Gas used in industrial establishments, 50,000 to 100,000 cubic meters yearly, 10 per cent; 100,000 to 150,000 cubic meters yearly, 12 per cent; 150,000 to 200,000 cubic meters yearly, 14 per cent; 200,000 to 250,000 cubic meters yearly, 16 per cent; 250,000 to 300,000 cubic meters yearly, 18 per cent; 300,000 cubic meters yearly and upward, 20 per cent. Rebates are not granted for a shorter period than one year. On gas used for gas motors and central heating establishments in dwelling houses a rebate of 20 per cent is granted, irrespective of the amount used.

The price for electricity varies, according to whether the current is used for illuminating or power purposes. Electric current is charged for by the kilowatt hour, i. e., the use of 1000 volt-amperes per hour. The basic price for electric power for illuminating purposes at present is 40 pfennigs (10 cents) per kilowatt hour. Changes of price are made with the consent of the City Council and become effective one

month after having been published in at least six newspapers of Berlin. Customers who use annually electricity in excess of 10,000 marks (\$2,500) are entitled to the following rebates: With a yearly use of 10,000 marks, 5 per cent; 20,000 marks, 7½ per cent; 30,000 marks, 10 per cent; 40,000 marks, 12½ per cent; 50,000 marks, 15 per cent; 75,000 marks, 17½ per cent; 100,000 marks, 20 per cent. With each 25,000 marks above 100,000, the rebate increases 2½ per cent until the highest rebate of 50 per cent is reached. Persons or firms that take electricity for at least 500 marks (\$120) yearly during the hours of 10 p. m. to 7 a. m., pay only 18 pfennigs (4 cents) per kilowatt hour. Special prices are also given for the use of electricity for advertising, the lighting of house numbers, stairs, cellars and accumulators.

For industrial purposes the price of electricity at present is 6 pfennigs per kilowatt hour. The Berlin electric works decide whether the power is used for industrial or illuminating purposes. With the use of electricity for 2000 hours per annum the price is 15 pfennigs per kilowatt hour; between 2000 and 2200 hours, 13.5 pfennigs; 2250 to 2500 hours, 12.75 pfennigs; 2500 to 3000 hours, 12 pfennigs; 3000 to 3500 hours, 11.25 pfennigs; 3500 to 4000 hours, 10.75 pfennigs; 3500 to 4000 hours, 10 pfennigs. These prices are subject to a rebate of 25 per cent.

No. 14. As the public buildings of Berlin are not erected by the municipality, no workmen or mechanics are employed in this branch by the city. For the planning and drafting, technical and financial supervision of public buildings, officials are employed either for life, or, in the lower grades, from month to month.

The higher officials receive a salary varying between 5400 and 9000 marks (\$1300 to \$2200); the lower officials, 2800 to 6200 marks (\$800 to \$1500). The assistant technical officials, engaged from month to month, receive a monthly salary of 160 to 400 marks (\$40 to \$100).

No. 15. A municipal income tax is levied in addition to the normal state income tax, in accordance with the communal tax law (kommunalabgabengesetz) of July 4, 1893. The percentage of the tax levied to the state income tax is fixed annually by the City Council. We enclose copy of the income tax tariff. We quote the following items from this tariff, that give in detail the tax levied on incomes from 900 to 255,000 marks yearly:

Income—	State Income Tax.	Municipal Inc. Tax.	Per Ct.
900 to 1,050 M.....	6 M.	.....	..
1,050 to 1,200 M.....	9 M.	.....	..
1,200 to 1,350 M.....	12 M.	.60 M.	5
1,350 to 1,500 M.....	16 M.	.80 M.	5
1,500 to 1,650 M.....	21 M.	1.00 M.	5
3,000 to 3,300 M.....	60 M.	6.00 M.	10
10,500 to 11,500 M.....	330 M.	49.40 M.	15
20,500 to 21,500 M.....	630 M.	126.00 M.	20
100,000 to 105,000 M.....	4,000 M.	1,000.00 M.	25
200,000 to 205,000 M.....	8,000 M.	2,000.00 M.	25
250,000 to 255,000 M.....	10,000 M.	2,500.00 M.	25

Each additional 5000 marks of income pays an additional state tax of 200 marks (\$50), and an additional municipal tax of 50 marks (\$12.50).

No. 16. The rates of the income tax tariff apply to individuals and corporations alike and treat equally the rich and the poor. On all personal estates the state collects a special tax, while the municipality levies a tax on estates equal to 25 per cent of the state tax. Thus:

Estate—	State Tax.	Municipal Tax.
5,000 to 8,000 M. . . . .	3.20 M.	.80 M.
100,000 to 1,000,000 M. . . . .	526.00 M.	131.40 M.

For each additional 2000 marks of the estate the state tax is raised 10.60 marks and the municipal tax 2.60 marks.

Real estate in the city pays a land tax based on its actual value. The tax rate for the year 1912 is 3.10 marks for each 1000 marks of property value—approximately 78 cents on \$238.

Besides this, the new acquisition of real estate is taxed at 1 per cent for improved property and 2 per cent for unimproved property, as a sales tax (umsatzsteuer). Finally, from every sale of real estate a tax on the unearned increment, according to the law of February 24, 1911, is levied. From this tax the City of Berlin receives 45 per cent, the remaining 55 per cent going to the State of Prussia and the national treasury of the German Empire.

No. 17. The chief mayor (oberbuergermeister) is elected for a term of twelve years. The present chief mayor, His Excellency Wer-muth, comes from Hanover, and holds his office since September 1, 1912.

The office of city secretary, as an assistant to the mayor, does not exist in Berlin or any other Prussian city. There are several hundred city secretaries employed by the municipality, who belong to the officials of the medium class and act as clerks or bookkeepers in the different departments of the city administration.

The chief mayor with several salaried (unbesoldete) councilmen (stadtrathe), including some technical advisors, compose the magistrat, or executive council, of the city government.

No. 18. All technical departments are controlled exclusively by expert officials, the higher officers in the building and administrative departments must have a university education, while a college (gymnasium) education is sufficient for the medium officers. No other special training is required for entering the municipal administrative service, but documentary proof must be furnished that the candidates have successfully finished the course of studies of a college (gymnasium or realschule), or are university graduates of jurisprudence and have passed the two state examinations of "referendar" and "assessor."

(Signed) REIDLER.





## CHAPTER XXII.

### HUMANITY MOVING TO TOWN.

The foregoing considerations bring us back once more to the chief lesson that is to be learned from even a brief study of human experience in city-building and city-dwelling, namely, a low tax rate means a low standard of civilization; a high tax rate, a high standard of civilization. The advantages which modern cities give their citizens over the inhabitants of our old-fashioned villages, are speedier transportation; a wider range of entertainment; far more numerous contacts with the life of the outer world and a consequent quickening of intellect; a more diversified food supply; more numerous relations of the beauty which genius calls forth from marble, color on canvas, landscape and water vista, and the spirit-stirring strains of noble music. The shallow observer of modern life errs when he says youth leaves the farm for the city solely in order to get more and better and easier bread and raiment at lower cost in labor; the deeper lure of the cities is their appeal to the young to come and be entertained, amused, diverted, educated; and the young go thence, subconsciously aware that their hunger for increasing mental and spiritual sensibility, which the cities alone can satisfy, somehow involves the forward, upward movement of humanity, which it undoubtedly does.

For perfectly valid reasons, mankind is moving to town. Lest worse befall, our towns must as speedily as possible be made clean, healthful, beautiful, in order to fulfill their function. Their citizens must have the maximum of all social services at minimum cost. Old-world experience proves this can be obtained only by eliminating private profit from all social services.

Since the fortunes of city and country dwellers are linked together, it may not be out of place here to set down a conclusion concerning the latter. I am convinced that precisely as all city wealth-producing occupations have been organized on large scale, corporate ownership superseding small individual ownership, so in the country corporate production of food and of the raw materials of manufacture will supersede production by small individual landholders. The rising demand of a rapidly increasing population requires the change, and it will therefore be made. Fifty years ago a white tenant farmer in Texas, or Iowa, was almost unknown. Today almost if not quite one-half of the white farm families of Texas—nearly a quarter-million of them—are homeless and landless tenants, and only 32 per cent of the farms of Texas are operated by their owners. Approximately the same conditions exist

in Iowa. It is probably idle to advance any scheme to restore these dispossessed farmers to land ownership; most of them would fail again, as they have already failed, if given opportunity to compete once more. Since they could not compete in an era of small tools, used by their owners, how shall they compete in the new era of huge labor-saving and product-multiplying farm machines, in cost quite beyond their reach? Is it not inevitable that this vast army of farm tenants must become the wage employes of farm companies, using the new machines on large areas, employing trained soil and crop experts to direct operations, and using the quarter-million of unskilled farm laborers to produce a far larger food supply, at much less cost, than these laborers in their present role of wandering tenants are now able to produce?

The thoughtful student of modern city life, if he be also acquainted with conditions and tendencies in the rural regions, is forced to the conclusion that humanity, each year in larger numbers harnessed to labor-saving and product-multiplying machinery, is moving en masse out of the old isolation into community life. The machine cotton picker and the machine corn husker and the motor-driven machine which plows thirty or forty furrows abreast, at the same time harrowing and leveling the soil—these and other huge new machines applicable to farm labor, and economically usable only on large areas, indicate unerringly the way the race is going. The masses of tenant farmers, who now wander from place to place, with their families, will become fixed residents, decently housed and provided with the sanitary, educational and entertainment resources of modern community life, on great farms owned and operated, for a time at least, by incorporated companies of capitalists. Rising general intelligence may in time evolve co-operative communities of farm workers. This has been accomplished, with marked success, in portions of Italy, on leased lands.

Man's ineradicable hunger for land and home ownership will perhaps be satisfied under the new order by making it possible for each family to acquire title to the home it occupies and an acre or more of ground upon which the home stands. He will be compensated for his lost vision of estate ownership by the advantages of community life organized in conformity with the modern spirit.

Nothing, in my opinion, short of this method of carrying the decencies, the conveniences, the social and educational advantages of the city to the country, will avail to check the too rapid rush of farm and small village people to the already overcrowded cities. City dwellers who may think a discussion of farm conditions out of place in a report on city conditions are reminded that their own welfare, and especially the welfare of the laboring masses, is constantly jeopardized by this inflow of competitors seeking city employment and access to city pleasures and educational opportunities.

The charms of the beautiful modern cities of Germany, so attractive to visitors from other parts of the world, are equally attractive to German country folk. Thus it comes to pass that wages in German city employments are very low, and labor on German farms inadequate

for farm tasks at crop gathering time. Several hundred thousand girls are each year brought in from Poland to help gather the German potato crop, and even in Germany, with its 66,000,000 people on an area three-quarters as large as Texas (and one-fourth of this area wooded), there are large tracts of farm land which for want of labor are not producing food up to their capacity. And this, mind you, in a country where the people's most constant and painful outcry is against the ever-rising cost of food.

The brains of Germany have met the demand for decent living conditions in their vast new cities better than the managers of cities anywhere else in the world; but they now realize that they must carry city advantages into the country places, and today the chief ambition of the imperial government is to restore the lost equilibrium between city and country by modernizing—that is to say, citifying as far as possible—the conditions of country life.



## CHAPTER XXIII.

### HOUSTON'S INLAND HARBOR.

I am asked by the Manufacturers Record to tell its readers what I think of Houston's inland harbor, after having seen the great inland harbors of Northern Europe.

I am now more strongly than ever convinced that Houston will in due time become the sea-and-rail meeting point for the seaborne commerce of the Southwest and a large part of the American Northwest, between the Rocky Mountains and the Missouri river.

For all of this vast area Houston brings tidewater 500 miles nearer than any port on either Atlantic or Pacific, and 300 miles nearer than New Orleans, the nearest rival port on the Gulf of Mexico. Today the only deep water wharves in the Houston-Galveston district are on Galveston Island, and on the mainland across the bay at Texas City and Bolivar Point, and the exports and imports through the Houston-Galveston sea-and-rail shipping district already, in the comparative infancy of Southwestern and Northwestern commercial development, make Galveston the second port of the United States in volume of business—led only by New York.

Houston's proposition is that the deep water haul of unbroken cargoes now terminating at Galveston shall be, in large part, extended forty-five miles farther inland. The cost of water transportation, approximately, is only one-sixth as large as the cost of rail transportation. If the huge volume of traffic which now passes in and out of Galveston's harbor at the mouth of Galveston bay can be given forty-five miles more water haul, and forty-five miles less rail haul, the saving in transportation cost to shippers and consumers will rapidly mount into the millions and ultimately into hundreds of millions of dollars.

It is this fact precisely which has caused all the world's great harbors which men have created or improved, to be located as far inland as possible. The saving in cost of transportation in a few years pays the cost of harbor construction, and thereafter permanently sustains a great city, manufacturing and trading in commodities, around the harbor.

The two principal harbors of Northern Germany are those of Hamburg and Bremen. In each instance the harbor is situated farther inland than Houston's harbor, and in each case the inland harbor has been almost wholly man-made. In each case the harbor-builders had as a basis for their work a city with rail terminals already established, with a river flowing through it. Houston has exactly these advantages. Houston has not yet so large a population back of it as have

Hamburg and Bremen, but the American Southwest and the American Northwest, regions which by virtue of the short haul must inevitably and forever patronize the Houston-Galveston sea gateway, for their seaborne commerce, are enormously larger than the region whose population supports the commerce which sustains Hamburg and Bremen. Moreover, these American regions tributary to the Houston-Galveston sea outlet are much richer, potentially, and therefore are certain in due time to sustain a much larger population, than the region tributary to Hamburg and Bremen ever can sustain.

Hamburg has over a million inhabitants, Bremen about a quarter-million. Both are growing larger each year, and richer, through their commerce chiefly. Both, being city-states, with ability therefore to borrow money by bond issues far in excess of the like authority possessed by a small city like Houston, have expended enormous amounts of money so procured in extending their harbors and harbor equipment. Hamburg during the past thirty years has invested \$130,000,000 in harbor extensions and betterments. The warehouses are owned and operated by a company, in which the city-state of Hamburg owns a stock control, with the privilege—which it is exercising—to absorb the stock privately owned out of its share of the profits of the enterprise. I neglected while there to learn exactly how many millions the city-state of Bremen has invested in its harbors in the City of Bremen and at Bremerhaven a few miles down the Weser river; but it is significant of the size of these investments that for one detail alone—an enlargement of the harbor system of Bremerhaven—the city-state issued bonds amounting to \$132 per capita for its whole population.

Houston, in the Buffalo bayou arm of Galveston bay, has a big natural waterway. Its size and natural depth are indicated by this fact: that government engineers and responsible private contractors have engaged to give it a 25-foot channel, with a minimum bottom width of 150 feet throughout its more than fifty miles length from Houston's ship-turning basin down to the Galveston jetties, for only \$2,500,000, and have engaged to complete the work within three years from the date of beginning in 1912. Compare this with the \$87,000,000 which Manchester, England, spent on its short 29-foot canal cut inland from Liverpool's sea-front harbor, in order to save the cost of rail transportation on the product of Manchester's mills, and you will better understand how little nature left for men to do in giving Houston a broad, deep water highway direct from her great rail terminals down to the open sea.

Houston's inland harbor, at the head of the channel, is as yet an unsolved problem—as to cost. The Federal government has widened the banks of Buffalo bayou, at a point five or six miles below Houston's city center, to make what we call a ship-turning basin. This basin is, approximately, a quarter-mile long and seven or eight hundred feet wide, with a depth of twenty feet. It is big enough to afford anchorage for a small fleet of small vessels engaged in the coasting trade, but it would be a flight of pure fancy, or the assumption of pure ignor-

ance, to denominate it a harbor for seagoing ships. Viewed in that light, it is a mere scratch in the ground, a tentative beginning, certain, I believe, to be abandoned in favor of a site farther down the bayou where the gigantic task of cutting out a real inland harbor will be easier and cheaper. The present turning basin will fulfill its proper function, and repay its cost, when, the harbor for seagoing ships having been constructed lower down, this small basin becomes a harborage for a mosquito fleet of coasters, trafficking up and down the Texas rivers and along the Texas Intercoastal Canal.

It took me nearly four hours, in a fast motor boat, to circumnavigate Hamburg's inland harbor, which has been cut out of a meadow along the mighty Elbe river. Houston's inland harbor, if it is to effect for the seaborne commerce of the American Southwest and the Northwest a cost saving such as Hamburg's inland harbor—twenty miles farther inland than Houston's, by the way—effects for the commerce of a portion of Northern Europe, must and undoubtedly will in due time be worked out on a similar scale.

Houston's participation in the task of procuring an inland harbor has been small down to date. I mean participation by the city government, in cash. Under Mayor H. B. Rice's far-seeing guidance during the past eight years, the City of Houston has borne most of the cost of promoting Houston's harbor pretensions in congress, and the city has voted, and expended, a bond issue of \$250,000 to build municipal wharves in the tiny turning basin above alluded to, just below the city limits. There has been some short-sighted local criticism of the administration for failure to make this \$250,000 drop-in-the-bucket procure and pay for big municipal wharves. Anybody possessing a nickel's worth of practical information on the subject of wharves of the size proposed to be built here, would readily understand that this \$250,000 was intended only to make a beginning, and not to complete, a work of such magnitude. If the excavations made for municipal wharves in the turning basin are later used, in providing dockage for coasting vessels, as they probably will be, then the city will get full value for its money. If not, then the \$250,000 will have to be charged off to profit and loss, under the heading, "Experience Paid For"—and with the reflection that we are not the first city builders who have made small mistakes in working out big projects.

The task of making a great harbor forty or fifty miles inland on Buffalo bayou is not a task which the City of Houston, or the County of Harris, in which the City of Houston is situated, can or should assume. It is a task for the nation, because the whole nation will be a gainer by the construction of such a harbor. The city-states of Hamburg and Bremen paid most of the cost of building their great harbors, because they are states, free sovereignties like our own states, subject to the imperial government only in respect to customs and military armaments, as our states are to our Federal government. The imperial government has contributed over \$10,000,000 to Hamburg's harbor development, in payment for concession of customs authority there.

Houston the city is an incident in the vast natural scheme of things, which demands, and insures, the creation of the big inland harbor of the near future on Buffalo bayou. This harbor, as Galveston's rapid rise to second place among American seaports proves, will command a yearly increasing share of the seaborne traffic of the United States. Saving for a large portion of that traffic five-sixths of the cost of its transportation for forty to fifty miles, this inland harbor, like all of the other great inland harbors of the world, will quickly pay for itself out of that saving, and will thereafter be a national asset for economy in exporting and importing commodities exchanged with the other countries of the globe.

In order to induce prompt and decisive action by the Federal government, in creating such an inland harbor, the Harris County navigation district, including the City of Houston, two years ago voted a bond issue of \$1,250,000 and put it up with an equal amount appropriated by the American congress, to make the \$2,500,000 needed to complete the 25-foot channel from Houston down to the gulf.

That was an exhibition of energy and of ambition by Houston never, I believe, matched by any other American city of its size, if indeed it was ever matched by any American city of any size. It is the plain duty of the Federal government not only to put through the whole big plan at its own cost, and promptly, but to return to the Harris county navigation district its voluntary gift of \$1,250,000 towards paying for a strictly Federal enterprise, so that this money may be used by the local interests in procuring frontage on the channel and in equipping municipal wharves as a safeguard against monopolization of the wharfage.

Here is where the City of Houston will be called upon to make a very large investment of borrowed money in the years to come. The city will be obliged, if it follows the wise example of the German city-states cited above, to acquire ownership of land on either side of the inland harbor, and on either side of the channel below the basin, in order to prevent monopoly, and in order through rentals to derive a revenue with which to take up its bonds and defray its share of the cost of operation.

Immediately, since no provision has been made for terminals on the 25-foot channel that will be ready for use in June, 1914, the City of Houston, or a Houston harbor district to be created by legislative action, must make haste to provide at its own cost a small preliminary inland harbor with docks and a belt line railway linking its wharves with the Houston rail terminals. Failure to make such provision, within the next fifteen months, will imperil the \$2,500,000 invested in the 25-foot channel and seriously discredit Houston's deep water program in the eyes of the nation.

The Houston city government having met the present emergency, as suggested, will thereafter be called upon to invest several million dollars in extending its harbor equipment, and the Federal government



will be urged to do its duty in the premises by enlarging the small emergency harbor to a basin several hundred acres in extent. The Houston harbor district will probably have to donate to the Federal government the site of this harbor, which will have to be cut out of the meadow along the waterway just as Hamburg made most of her mighty harbor on the Elbe.

I look for this development to take place naturally, over a long term of years, in response to demands made by seaborne commerce for accommodation in the Houston-Galveston district. Already this commerce has overflowed Galveston's island equipment and has come across to the mainland in two places—Texas City and Bolivar Point. The steadily rising volume of this traffic will progressively utilize Galveston, Texas City, Bolivar Point and the Houston ship channel and inland harbor. The interests of the whole of the tiny district are identical, in any large view of the situation, just as are those of New York, Brooklyn, Jersey City and the other portions of the vast shipping district at the mouth of the Hudson river. The development of one means added prosperity for all. And let it not be forgotten that the region inevitably tributary to this sea outlet is vastly larger, and in the years to come will be even more populous and more productive of seaborne commerce than the region now tributary to New York.

I shall not be here to say "I told you so," but nothing is more certain in my mind than that within three or four generations the city which will have grown up within the Houston-Galveston district will rival in size and wealth the city at the mouth of the Hudson.



## CHAPTER XXIV.

### AN APPRECIATION OF THE THEME.

*(Editorial, Dallas-Galveston News.)*

The series of articles written by Mr. Frank Putnam of Houston on the organization and management of public works and governments of European cities constitutes, in the opinion of the News, one of the most valuable contributions that has been made in many years to the literature of municipal government. There is not a city or town in the state that is not indebted both to Mr. Putnam and to Houston, which city bore the expenses of the investigation; for although Mr. Putnam's study was made with particular reference to the peculiar needs and conditions of Houston, necessarily the greater part of the information contained in them is pertinent to the problems of all municipalities, and this information has generously been given to all. It was a splendid benefaction on the part of Houston.

Certainly there is no subject on which we are more in need of information and the inspiration that may be expected of the knowledge of what other people have accomplished. In the general art of government we indulge ourselves in the belief that we have excelled all peoples, and that we have brought about the best government on earth—a self-satisfaction which may be allowed, subject to some particular exceptions. But if we are allowed to indulge in that self-satisfaction, it only makes more incongruous another fact, equally admitted, that in municipal management or government we are the most backward. There is none so filled with pride and the spirit of self-sufficiency as to extol our municipal governments. It is admitted, on the contrary, that at that point our efforts have been rewarded with but a small measure of success. It may be that we have little to learn from the Europeans as to the manner of conducting national and state governments, although even in those respects they can probably teach us more than we suspect; but it is certain that in the matter of municipal management they are decades ahead of us. We have made noteworthy progress in the last eight or ten years; the standard of efficiency has been raised, and particularly in Texas cities. But there is always a danger of being betrayed into contentment by small achievements and of resting satisfied with conditions that are good only in comparison with older conditions, and that are bad if they be considered relatively to what is possible and feasible. The circumstances give a peculiar timeliness to the articles Mr. Putnam has written, for they who have read them carefully must have been fired with that discontent which leads to better things.

If there had been no previous evidence of the fact for us, Mr. Putnam's articles would have made it too clear for denial that the Germans are pre-eminent in the matter of municipal management, or performing public service. It would be no tribute to their achievements whatever to say that they have far surpassed us; one must make the comparison with the accomplishments of people who are incomparably superior to us in this respect if he would give full tribute to the skill and art of the Germans in municipal management. Doubtless their superiority is due primarily to racial traits. In them the social sense is probably more highly developed than in any other people. The rights of society as opposed to those of individuals have been made more paramount among them. Mr. Putnam has made it clear that another reason of their success in municipal management is their freedom from political theories and formulas. With us, one often has occasion to suspect, municipal governments were instituted largely for the purpose of celebrating and demonstrating abstract theories, and that we regard it as of more importance to vindicate a political doctrine than to do a particular thing efficiently.

We are the most practical people in our management of business and industry. No amount of theory would prevent our millers from discarding millstones and introducing steel rollers. But we stick tenaciously to plausible political theories whether they work or not in practice.

German philosophy with respect to municipal management, so far as the Germans seem to have any philosophy, is decidedly pragmatic. The results must justify the act, and if they do, no one seems to care whether the act is consistent with some theory or not. Political considerations, or party considerations, seem to enter little if at all into municipal management in Germany. It is with them strictly a business matter; and just as with us a business man employs and retains men solely because of their efficiency without inquiring or caring as to his political or religious preference, so the Germans give municipal business over to men who have aptitude and training for it. With us no man is eligible for municipal service unless he is a legal resident of the city, and if one should propose to elect as mayor some one who was not a resident of the city, but who in some other city had demonstrated pre-eminent fitness for the service, the patriotism of the man making that proposal would be immediately impeached, and he would probably not live long enough to get another hearing from his fellow citizens. How little the Germans are in the habit of thus subordinating essentials to non-essentials is shown by Mr. Putnam's statement that German cities frequently compete for the mayoral services of men who have demonstrated superior fitness.

One of the recommendations which Mr. Putnam makes with particular emphasis, as a result of his study of European cities, is that Houston "create a city planning commission to outline for adoption by the city government a general plan, providing for Houston's future growth, as the German cities have done." He declares that he regards this

“as by long odds the most vital of all my recommendations,” and he adds the very just observation that “it would be nothing less than purblind folly for the generation now in control of Houston’s destiny to neglect to make provision for a sane, beautiful, healthful, economical plan for future city growth—now, while the first foundations for the future great city are being laid.” In one sense that observation is superfluous, for even in Texas where our largest cities have only just begun to grow we have had the folly of allowing them to develop without plan or premeditation impressed on us by mournful and costly experience. Nothing can be more certain than that if the forces of individual selfishness are allowed to govern the growth of cities unrestrained they will come to be ugly, inconvenient and unhealthful, unhealthful physically and morally. Environment exercises a tremendous influence on individual lives; there are some indeed who assert that it is a more potent force than heredity, and yet we have done next to nothing to utilize that tremendous force as a means of bettering the moral life of our cities.















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