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# MUNICIPAL SOCIALISM

## The Conservative Victory in Cleveland

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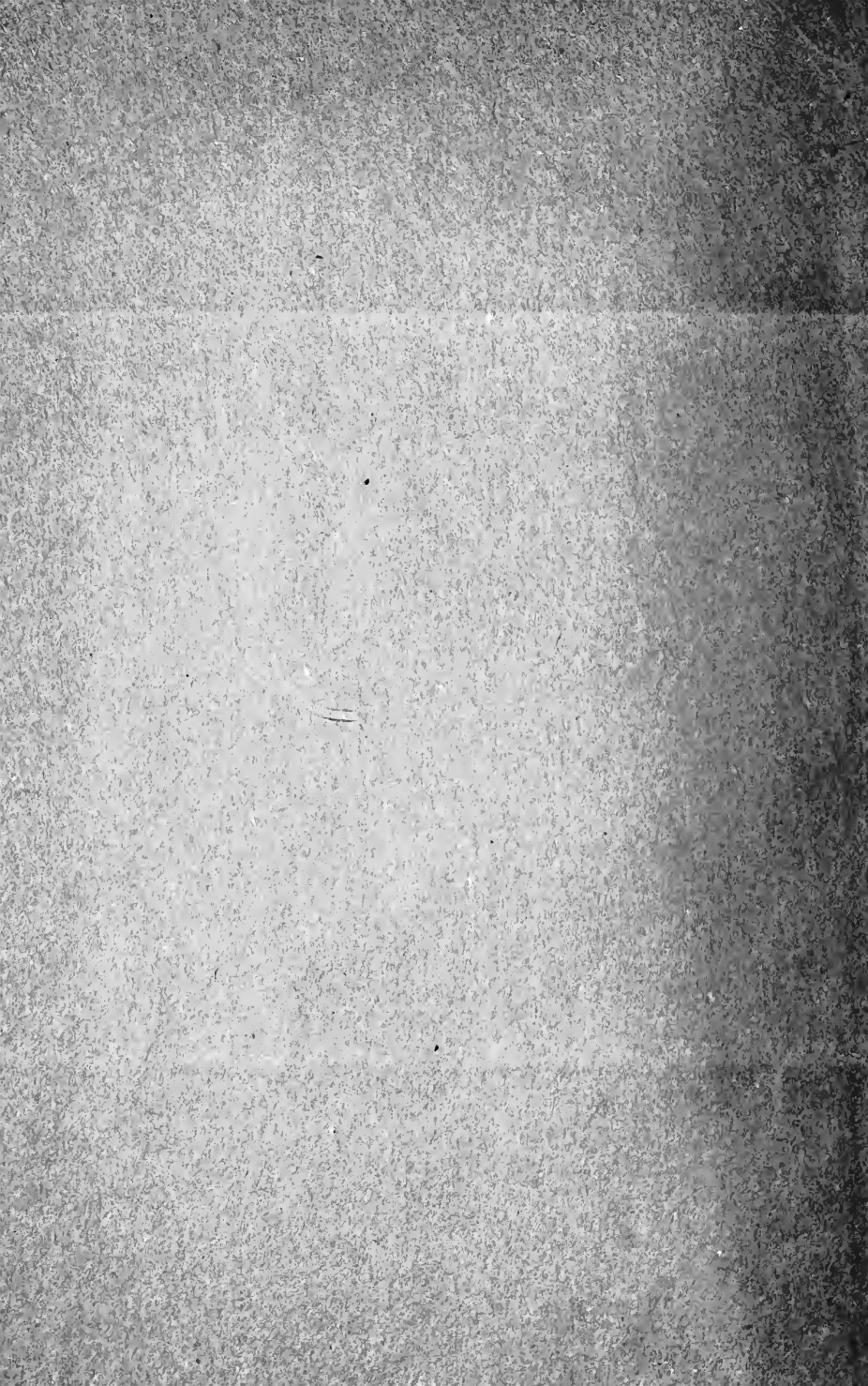
By H. T. NEWCOMB  
Of the Bar of the District of Columbia,  
Author of "The Social Basis of the Postal Deficit,"

"Some Consequences of the Trust Movement," "A Study in  
Municipal Socialism," "Some Recent Phases of the Labor Problem,"  
"The Work of the Interstate Commerce Commission," "Who Own the Railroads?"  
"The Regulation of Interstate Railways," "The Federal Courts and the  
Orders of the Interstate Commerce Commission," "Railway Rate  
Regulation in Foreign Countries," etc., etc.



PRESS OF GEORGE E. HOWARD  
WASHINGTON, D. C.

1905



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## The Conservative Victory in Cleveland

*any work*  
By H. T. NEWCOMB *1167*

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## CONTENTS

	PAGE
The Personal Element .....	5
Mayor Johnson's Waning Popularity .....	7
The Question Submitted .....	7
Results in Cleveland and Other Cities Compared .....	10
Militant Conservatism .....	12
A Far-reaching Program .....	13
The Line of Least Resistance .....	15
Democratic Opposition .....	16
The Fight Begun .....	17
Real Needs Neglected .....	19
The Estimates Submitted .....	22
The Opposition Slumbers .....	23
Civic Consciousness Aroused .....	27
The Chamber of Commerce .....	30
Business Men in Opposition .....	31
Cleveland's Immediate Needs .....	33
Rough Riding .....	34
The Spoils System at Work .....	36
A Flank Movement by the Mayor .....	38
The Special Election Stratagem Foiled .....	39
A Full Vote Insured .....	41
Methods of the Campaign .....	42
An Absurd Misrepresentation .....	43
"Bonds and Taxes" .....	44
A Decisive Victory .....	46
The Personal Element Remains .....	49
Three Easy Lessons .....	50

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# MUNICIPAL SOCIALISM:

## The Conservative Victory in Cleveland\*

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By H. T. NEWCOMB

Of the Bar of the District of Columbia

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### THE PERSONAL ELEMENT

The story of the recent defeat of the project to erect a public electric lighting and power plant in the city of Cleveland and to inaugurate competition between the city and those of its tax-paying citizens who are interested in the electric lighting business now established there, will not be understood unless it is illuminated by the details of its personal and political relations. The contest was charged with the personal element from the beginning, for it commenced when Mr. Tom L. Johnson resumed his political

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\*The writer of this paper desires to explain that he was not an impartial observer of the events it chronicles. He was glad to accept an invitation to participate in the active opposition to the proposed public electric plant not only because he regards political ownership as vicious in principle, but also because it appeared that in the case of Cleveland there were particular objections which ought to lead even the advocates of that principle to oppose Mayor Johnson's project.

residence in Cleveland, a city which he had represented in the Federal Congress before he abandoned it for New York, and having invested his millions of capital so as to allow ample time for other than financial and industrial activities, announced that he would devote the balance of his life to an effort to secure the application of the Henry George system of taxation. It became political when, very soon after this announcement, the local leaders of the Democratic party of Cleveland made Mr. Johnson their candidate for mayor and permitted him to control the platform and the policies of that organization. From his nomination for the mayoralty, early in 1901, to his defeat for the governorship in November, 1903, Mr. Johnson was the dominant force in the Democracy of Cleveland; he drove from its councils the conservative leaders under whom it had functioned as a vigilant and virile minority organization and he made it the party of extreme radicalism. As an immediate consequence of his course, many Democrats of the old school were driven into acting with the Republicans, but this loss was, for a time, more than offset by the large number of Republicans who were allured to the temporary support of the program which contained so many specious promises. This particularly accounts for Mr. Johnson's second election as mayor, for although during his first candidacy he received considerable support which was based upon a superficial acquaintance with his career as a business man, this support had been withdrawn before his second election and his majority at the polls in April, 1903,

represents the preponderance, at that time, of the radical voters of Cleveland over the practically unanimous body of its stable citizenship and its substantial business men.

#### MAYOR JOHNSON'S WANING POPULARITY

The votes received by the various candidates for the mayoralty of Cleveland at the election of April 1, 1901, aggregated 66,568, of which Mr. Johnson received 35,817 or 53.81 per cent. Two years later the vote was 68,571 and Mayor Johnson received 36,060 or 52.59 per cent of the aggregate. Six months later the referendum on municipal ownership evoked the suffrages of 54,625 citizens of Cleveland of whom but 24,193 or 44.29 per cent voted on the side advocated by the Mayor. At the same election utilized for the submission of the lighting project Mayor Johnson was the Democratic candidate for governor of Ohio and his vote in Cuyahoga county, in which Cleveland is located, fell some 8,500 below that of the successful Republican candidate.

#### THE QUESTION SUBMITTED

The precise question submitted to the voters of Cleveland on November 3, 1903, was whether they would authorize a bond issue of \$400,000 for the purpose of constructing an electric lighting plant. It was commonly understood that this would no more than provide for an experimental plant which, however, would be utilized to supply light for both public and private use in a certain limited section of the

city. There was good ground for believing that the plant proposed by the Mayor could not be built for the sum named, but that point will be discussed hereafter. The referendum on this project was secured by its opponents after its advocates had exhausted the means at their command, both legal and political, for committing the city to it without a direct expression of the will of the people. Before a referendum could be forced, the opponents of municipal socialism had to show the illegality of an ordinance authorizing a bond issue to build an electric lighting and power plant, which had been adopted by a unanimous vote of the City Council; and to arouse enough opposition in the same legislative body to secure the defeat of a second ordinance, in which the word "power" did not appear, which was pressed by every device which the chief magistrate of a city can use to overwhelm opposition to his policies. Then, when forced to permit a referendum, the plan of the supporters of the city administration was to hold it under a law which would have rendered a full vote impossible. An injunction preventing the execution of this design was the final means by which a complete expression of the will of the city was made possible.

The verdict recorded on November 3 was against municipal socialism by a vote of 30,432 in the negative to 24,193 in the affirmative. As the approval of two-thirds of those voting upon the proposition would have been necessary in order to permit the bond issue, it is evident that the margin by which the conservative citizenship of Cleveland won this

substantial victory was not the majority of 6,239 over the advocates of a public lighting plant, but rather the difference of 12,224 votes between those cast in favor of the measure and the number necessary for its enactment. Thus while the opponents of municipal socialism cast 55.71 per cent of the total vote polled, they were successful by a margin amounting to 22.38 per cent of that total. It is interesting to compare this result with the popular vote of 15,282 to 1,245 by which, ten years earlier, the neighboring city of Detroit authorized the erection of a municipal electric lighting plant. In Chicago, in 1902, 139,999 voters approved the principle of public ownership "of the gas and electric lighting plants, said plants to furnish light, heat and power for public and private use," and only 21,364 declared themselves in opposition. While the Cleveland contest was in progress, the citizens of San Francisco voted on a proposal to acquire a street railway and to issue \$710,000 in 3½ per cent bonds therefor, the proposition being defeated because favored by less than two-thirds of the voters, although it received 14,351 affirmative votes to 10,790 in the negative. On the face of these returns it appears that in Cleveland but forty-four in each one hundred legal voters are in favor of municipal socialism, while in Detroit it is favored by ninety-two in each one hundred, in Chicago by eighty-seven in each one hundred, and in San Francisco by fifty-seven in each one hundred. Of course, these figures do not tell the entire story. It is altogether likely that the latent spirit of conservatism was just as extensive in Detroit, Chicago and

San Francisco prior to these more or less complete expressions of popular ideals and purposes as in Cleveland, and that the chief difference is really in the degree in which the dormant opposition to radical departures from the governmental practices which have the approval of American experience was aroused and made effective. Whether this conclusion is correct or not, there can be no doubt that the importance of the municipal ownership referendum appeared much greater to the citizens of Cleveland than to those of the other cities named. This is shown by the following table in which the aggregate number of votes cast and those on each side are compared with the number of possible voters:

RESULTS IN CLEVELAND AND OTHER CITIES COMPARED

City	Date of referendum	Number of males over 21 years old	Aggregate vote cast		Per cent of males over 21 voting	
			Number	Per cent of males over 21	For municipal ownership	Against municipal ownership
Cleveland . . . .	1903, Nov. 3	*111,522	54,625	48.98	21.69	27.29
San Francisco.	1903, Oct. 8	*128,985	25,141	19.49	11.13	8.36
Chicago . . . . .	1902, Apr. 1	*511,048	161,363	31.57	27.39	4.18
Detroit . . . . .	1893, Apr. 3	† 55,476	16,527	29.79	27.55	2.24

\* Census of 1900

† Census of 1890

Apparently, the active discussion of municipal ownership in Cleveland, which resulted from the vigorous campaign made against it, was the means of bringing out a much larger proportion of the total vote than is customary in such contests. It is noteworthy also that the proportion of the total possible vote cast against municipal ownership was very greatly increased while the affirmative proportion was considerably lower than in either Chicago or Detroit.

At any rate, these figures make the assumption that the real popular spirit, in these four great cities, is substantially the same in regard to municipal ownership sufficiently plausible to justify making it the basis of an inquiry whether the widely divergent results that have been recorded can be explained in any way which reconciles them with such a working hypothesis. They will be successfully reconciled if it appears that the principal difference lies in the opportunities afforded the voters to acquaint themselves with the nature and importance of the questions at issue. At the outset it should be recognized that the citizens of Cleveland had unusual reason to be satisfied with existing conditions and that the demand upon the resources of the city for the development of its ordinary activities was admittedly great. The private corporation which supplies electric light and power to public and private consumers in that city has merited general approval by rendering excellent service at reasonable rates, and there have been no serious scandals in connection with any of the public service corporations of the

city. On the other hand, when the people of Chicago voted on a similar question they had become accustomed to allegations that influences corrupting to the political activities of the city and state emanated from some of its public service corporations; and when it arose in Detroit, two private electric lighting companies having recently contested bitterly for the field, the victorious corporation had signalized its success by making exorbitant demands upon the city in regard to payments for necessary street lights.

#### MILITANT CONSERVATISM

No such effort to hold their government within the fields of activity already permitted to it was ever made by the conservative citizens of any other great American municipality as was made in Cleveland. The educational campaign, begun in June, was pressed so persistently that it is scarcely possible that Cleveland contained a single legal voter who was not afforded an opportunity to acquaint himself with the arguments against the project. Nor was the campaign in any way one-sided. Mayor Johnson and several of his ablest lieutenants devoted a great deal of attention to this topic in nearly all of their speeches, and the former repeatedly advised his hearers that the erection of a city electric lighting plant was more important to the voters of Cleveland than his own election to the office of governor of Ohio.



## A FAR-REACHING PROGRAM

It has been said that the effort to commit the city of Cleveland to a policy of municipal socialism dates from the announcement by Honorable Tom L. Johnson, some time prior to his first election as mayor, in 1901, that henceforth he would devote his life to an effort to spread the doctrines of the late Henry George and to secure the substitution of the "single tax" for the present revenue systems of the municipal, state and national governments of the United States. Mr. Johnson, as was explained some time ago by his friend and adviser, Dr. Edward W. Bemis, now superintendent of the waterworks of Cleveland, in the significant sentences which are quoted below, believes in municipal ownership because he believes in the "single tax" and regards the former as an essential element in the latter system. Writing of "Detroit's Efforts to Own Her Street Railways" in "Municipal Affairs" for September, 1899, Dr. Bemis said of Mr. Johnson that:

"\* \* \* his own special interest in the matter is because of his belief in city ownership and operation of street railways as an opening for the gradual introduction of the single tax, in which cause he is a well-known enthusiast. It is generally known that extensions of street railways have such an obvious effect in raising land values that there would be little difficulty under public ownership of securing *special assessments* on this increased land value for the

purpose of extensions and perhaps ultimately *for paying all operating expenses so that every one could ride free just as tenants of an office building are charged enough rent to permit of free running of elevators.*"\*

Obviously, the election to the mayoralty of a great city of a gentleman holding the views indicated in the foregoing, especially one of so forceful a type as Mr. Johnson had shown himself, was certain to arouse interest not only among those who would like to enjoy the services supplied by quasi-public corporations without expense to themselves, but extending also to those who might be called upon to pay the "special assessments" and to investors in the securities of the public service corporations within his jurisdiction.

The new mayor of Cleveland was confronted by the fact that the laws of Ohio do not authorize municipalities to undertake the business of street railway transportation. His efforts in connection with this service have therefore been confined to the attempted reduction of fares to three cents, to an attempt to induce the construction of lines which would compete with those now in existence and to raising the taxes of the latter.†

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\*The italics are the present writer's.

†Possibly even these efforts should be regarded as in the general direction of political ownership for Mayor Johnson is probably not unfamiliar with Dr. Bemis's suggestion that: "\* \* \* price reduction, however, seems legally open to city councils and, as pre-

## THE LINE OF LEAST RESISTANCE

In the lighting field, however, there was no obstacle of a legal character and if authority to issue bonds for the purpose could be secured and their sale effected, there would be nothing to hinder the erection of a city electric plant. No official public steps in this direction were taken during the first term of two years to which Mr. Johnson was elected, although the subject was known to be receiving considerable attention from the Mayor and his principal subordinates. The platform on which the city was carried in April, 1903, for the reelection of Mayor Johnson, however, contained the following, the last clause of which has been declared to have referred to an *electric* lighting plant:

"The Democratic party of Cleveland, in convention assembled, asks the suffrages of the voters on the record of the present administration. It has been characterized by a marked awakening of interest in city affairs. Never before has there been so full an appreciation of the evils of private ownership of public utilities; \* \* \* our pledge to the people is: \* \* \* 3. That we will build and operate a municipal lighting plant. \* \* \*"

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viously suggested, should be tried as a preliminary to public purchase of the plants; because such regulation of price, so far as the courts will permit, would naturally result in a reduction in the value of the securities \* \* \* and thus render easier public purchase."—See article entitled "Regulation or Ownership" in "Municipal Monopolies," pp. 651-2.

Another declaration of the same platform supports the claim, subsequently put forth by some of the men who stood upon it as candidates, that their election did not carry a mandate to build and operate a city electric lighting plant. This declaration follows:

“The issue in this campaign is the street railroad question. \* \* \* In the April election the voter must choose between two parties—the one already pledged in its platform to a complete surrender to the street railroads on their own terms; the other, that party which has already forced some concessions from the street railroads, and which, if returned to power, will secure a complete victory for the people.”\*

#### DEMOCRATIC OPPOSITION

The leading Democratic newspaper of Cleveland, *The Plain Dealer*, editorially discussed the contention that the Democratic members of the City Council were bound in honor to support the ordinance providing for a bond issue in

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\*According to *The Plain Dealer*, the leading Democratic daily newspaper of Cleveland, the convention which adopted the platform containing the provisions quoted above also adopted the following “supplementary resolution:”

“Resolved, That the executive committee of the Democratic central committee in and for the city of Cleveland, be authorized to levy an assessment upon the nominees of this convention for the different offices to be nominated therein and be also empowered to remove from the Democratic ticket the names of all such nominees who fail to pay such assessment before 3 o'clock p. m., standard time, March 18, and that the executive committee be given full power to fill all vacancies.”

order to build an electric plant and the following, from its issue of August 2, 1903, contains its conclusions:

“The claim that the election of the present administration and council was a mandate from the people to establish a municipal electric lighting, or lighting and power plant, is fallacious. The voters as a whole did not so understand it and had no such purpose, whatever a portion of them might have intended. \* \* \* The platform itself specifically declared that ‘the issue in this campaign is the street railway question.’ \* \* \* The Plain Dealer distinctly declared that it was not in accord with Mayor Johnson’s municipal ownership ideas. Thousands of citizens who helped elect the present municipal government held the same position \* \* \* the people of Cleveland, in electing the present municipal government, did not give it a mandate to adopt that scheme. They expressed themselves by their votes to be in favor of home rule, honest and efficient government, and equitable taxation, but they had no intention of committing themselves unreservedly to all the ideas of Mayor Johnson and Mr. E. W. Bemis.”

#### THE FIGHT BEGUN

Nevertheless, the reelection of Mayor Johnson was immediately followed by efforts to inaugurate the municipal ownership policy. The first meeting of the newly-elected City Council took place on Monday, May 4, 1903, and as soon as it had organized, it listened to a formal address from the Mayor in which he strongly urged the immediate practical application of his municipal ownership policy. In this ad-

dress the council was warned against "the oppressions of certain so-called business interests" which, it was explained, are not competitive and are grounded in special privilege. The Mayor asserted that these interests "have no natural affinity for legitimate business interests," and that those who control and benefit by them use political parties, impartially, in such ways as to secure pecuniary gains for themselves. One of the ways in which such gains are secured, declared the Mayor, is through unjust exemptions from the full burden of taxation, but while the city must strive for a better taxing system the evil could not wholly be corrected in any way except by bringing all public utilities under government ownership. Continuing, the Mayor said:

"Already the statutes permit cities to engage in the business of gas and electric lighting and of this privilege it is our duty to avail ourselves at once. Let us begin with an electric lighting plant of the most modern type, by which we can produce electricity cheaply for street lighting and in addition, can give to the people in their houses and places of business the benefit of electric light and power at the minimum of cost. As that experiment proves its value, the same system can be extended over the entire city."

The application of the Merit System of determining appointments to office and the promotion and retention of those employed was insisted upon as an essential to efficient administration of the proposed new service and also of the water department in which such a system was said to have

been already established although admittedly without the sanction of any statute or ordinance.\* Progress in this direction was declared to be especially important:

“\* \* \* in view of the probability of an early extension in Cleveland of the principle of municipal ownership and operation to all public utilities.”

#### REAL NEEDS NEGLECTED

To those who are acquainted with the municipal conditions and needs of Cleveland, it is significant that the Mayor's address concerned itself solely with the problems of home rule, taxation, and municipal ownership. It contained no reference to the need of a better water supply, more sewers, better fire protection, improved facilities for crossing the old river bed which so effectively separates the eastern and western portions of the city, a more extensive wharfage system or new public buildings. In fact, so far as the purposes of the Mayor may be regarded as having been disclosed

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\*Dr. E. W. Bemis, who has had charge of the water department throughout practically all of Mr. Johnson's incumbency of the office of mayor, did make an effort to establish a merit system. In so doing he incurred the ill will of many politicians, some of whom took occasion immediately after the election of 1903 to demand his dismissal; a demand to which the Mayor declined to accede. The system in force, however, did not go far enough to preclude the active participation of the employees of the water department in every stage of the campaign for a municipal electric plant, which would have been made an adjunct to their department, and there are other indications that the conditions are still far from ideal.

in this address, he appears to have been interested in matters requiring extensive and somewhat spectacular reconstruction of state and municipal policies to the complete exclusion of necessary improvements which are quite within the ordinary scope of municipal activities and the existing powers of the city government. How far it would be safe to go in inferring an actual disregard of the immediate and necessary in favor of the remote and questionable, may be, in some degree, indicated by the events hereinafter recorded and will appear more plainly when the history of his administration is complete. Immediately after listening to the Mayor's address, the council received from him a special message transmitting a report from Dr. Bemis concerning the plans for the proposed plant. These plans had been prepared under the direction of Dr. Bemis, who was aided by Mr. Charles E. Phelps, a consulting electrical engineer. These estimates called for a direct expenditure of \$375,750 in the erection and equipment of a plant consisting of two units of 1,000 kilowatts capacity each, which would generate a three-phase alternating current of 6,600 volts at 60 cycles. It was stated that this voltage and frequency of current would secure the greatest possible combinations for both street lighting and commercial service, and that the plant would become a central generating station which, with the addition of new units from time to time, could be made to supply the entire city. For the time being it was proposed, however, to confine the distribution to the West Side of Cleveland, a region which



contains 34.77 per cent of the city's area and 30.94 per cent of its population\* and to the public buildings on the East Side. Dr. Bemis's statement of the advantages to be gained is as follows:

"It would appear that with the city in possession of land and of the building for the generators and of the foundation of a modern boiler house,† and with the possibilities of combining the water and electric lighting departments, it is entirely practicable for us to build a thoroughly up-to-date plant at a moderate cost, and thereafter to supply the West Side and the public buildings on the East Side with light for public and domestic and commercial uses at a much lower price than is now charged, even after allowing for interest and sinking-fund charges. It seems also quite possible that such a modern plant at our Division-street pumping station could sell electricity for power purposes at so low a price as to be of great advantage to many manufacturers along the river and elsewhere."

On the subject of prices, Dr. Bemis said:

"Mr. Phelps has prepared estimates of cost, showing that the city can maintain arc lights for less than \$55 per year per arc, while it is now paying \$75, and even more important, it can sell electrical energy for commercial uses for about four cents per unit or kilowatt hour. The published rates to-day vary from twelve and a half cents per unit, ac-

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\*On the basis of the census of 1900.

†It was proposed to utilize the site and structure of an abandoned pumping station.

ording to the nature and amount of consumption to a little above five cents per unit.”\*

### THE ESTIMATES SUBMITTED

The precise figures given by Mr. Phelps indicated his belief that the plant he proposed would be able to supply arc lights at an operating cost of \$40 per light per year and with a capital cost of \$13.67 or at a total expense of \$53.67. The estimated cost of constructing and equipping the plant follows:

Steam and electrical equipment.....	\$214,000.00
Distributing equipment.....	111,750.00
Rebuilding power-house, including coal-handling apparatus.....	50,000.00
Total .....	\$375,750.00

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\*The corporation now selling electric light in Cleveland uses the two-rate system. Each commercial consumer is charged at 12½ cents per unit for fifty hours' use per month at the maximum capacity of his installation, and for the excess over fifty hours at five cents per unit. In the case of dwellings, thirty per cent of the maximum installation capacity is used on account of the normal variation in the load factor for dwelling houses. The theory of this system is that the capital investment of a central station plant is determined by the maximum consumption of its customers. In other words, there must be sufficient generating and distributing apparatus to supply every one with all the lights and power he demands at the same instant. Assuming the average duration of the extreme load to be about fifty hours per month, it follows that it is not unfair to charge a larger proportion of the capital cost against this use particularly as this course encourages liberal use of current at other hours when its cost to the company is scarcely more than that of operation.

Mr. Phelps also gave the following estimate of probable operating expenses:

General expenses .....	\$10,760.00
Production .....	36,300.00
Maintenance of distributing equipment.....	6,740.00
Maintenance of lamps .....	5,875.00
Repairs and renewals .....	7,240.00
	<hr/>
Total .....	\$66,915.00

Attention will be called at another point in this paper to certain apparently justifiable criticisms of these figures which, for the present, serve merely to outline the proposition submitted to the Council. The most significant features of that proposition will be recognized in the indicated intention to go into a competitive commercial business in a field already occupied by a private corporation and to sell power, as well as light, to private users.

#### THE OPPOSITION SLUMBERS

An ordinance drawn in accordance with the plans described, and providing for an issue of \$200,000 in bonds to begin the construction of the plant, was introduced at the same session of the Council, and after lying on the table under its rules, was taken up and adopted by a unanimous vote and without discussion on the evening of May 11, 1903. The Council which thus complacently sought to commit the city to a program which was avowedly to go far in the di-

rection of municipal socialism consisted of twenty-three members of the Mayor's party and nine Republicans. It is particularly noteworthy that although the Democratic membership was sufficient to give the two-thirds vote required to authorize an issue of bonds, the nine Republican members were not sufficiently interested to register the opposition which they must be presumed to have felt. If this silent acquiescence in a policy which at a later date they vigorously and successfully resisted is to be attributed to a belief, on the part of the Republican members, that the majority by which the Mayor had been reelected a month earlier was a popular endorsement of municipal ownership and a consequent reluctance to seem to interpose even ineffective opposition to the execution of the people's will, the conclusion seems to indicate a singular lack of appreciation of the real, but dormant, public sentiment as subsequently disclosed by the crushing defeat of municipal ownership at the November election.

The adoption of the ordinance by the Council seemed to mark the beginning of municipal socialism in Cleveland. Had the event justified this conclusion, it would have offered abundant opportunity for comment concerning the frequent utter absence of any popular realization of the radical nature of social, political and economic changes at the moment when the definitive step is taken. Municipal ownership had long been advocated by the man who for the time was both the dictator of a successful party and the chief

officer of the city; it had been favored in the platform he had compelled the party to adopt, but, beyond this, there had been no indication of public interest in the question. It had not been discussed to any extent in the newspapers or on the stump; no one had strenuously advocated or vigorously opposed it. The portion of the Mayor's address which discussed it received perfunctory treatment only from the local press, and the enactment of the ordinance was not only without a negative vote, but it was not recorded in the news columns of any of the daily papers of the city. Apparently, there was general, but careless and indifferent, acquiescence in the Mayor's plans. Such might have been the history of the initial socialistic step of one of America's greatest and most rapidly developing municipalities had not the advocates of the change overreached themselves. The law governing the issuance of bonds by the cities of Ohio permits them to be sold for certain enumerated purposes only. One of these purposes is the purchase or erection of "electric light works, and for supplying light to the township, hamlet or corporation and the inhabitants thereof.\* The Mayor's ordinance, as formulated and adopted, provided for bonds for the purpose of erecting an "electric light *and power* works" and the plans of the Mayor and his advisers, Messrs. Bemis and Phelps, plainly declared the purpose to produce, distribute and sell electric current for power as well as for lighting.

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\*The Longworth bond law, adopted April 29, 1902; Session laws of Ohio, Vol. XCV, pp. 318-322.

Why the powers vested in the municipality were thus palpably exceeded will probably never be known, but it is almost impossible to assume that it was wholly an oversight on the part of the Mayor's young, energetic, and able legal adviser; the chief law officer of the city. One suggestion in this connection can not be overlooked. It is that as Mayor Johnson's prestige had been somewhat impaired, and was in danger of suffering further, on account of the reluctance of capitalists to provide new street railway lines on a basis of three-cent cash fares and with anticipations of ultimate purchase by the municipality, a device for overcoming this hesitation was sought and seemingly discovered in the provision of a municipal power plant which could sell current for operating new street railways at less than cost, and saddle the difference upon other customers, or hide it in the depreciation and betterments accounts or in some other way entail it upon the taxpayers of the city. At any rate, the final defeat of the project was made possible by the legally unauthorized inclusion of the purpose to manufacture and sell "power." At the suggestion of a taxpayer, the city solicitor, Honorable Newton D. Baker, was obliged either to institute suit to test the legality of the proposed bond issue or to permit such an action to be brought by the taxpayer himself. He chose the former alternative, graciously according permission to the opponents of the plan to designate an attorney to assist him. Suit for the purpose indicated was brought on June 17, the petition relating that the bids under the ordi-

nance had been received, opened and the highest bidder selected.\* After the inauguration of this action the Mayor probably realized or was properly advised that the ordinance would not sustain a valid issue of bonds and, abandoning efforts under the original authority, he secured the introduction, on July 13, of a new ordinance which avoided the fatal defect in the earlier enactment.

#### CIVIC CONSCIOUSNESS AROUSED

In the meantime, the public consciousness had come to a realization of the fact that events of some importance to the welfare of the community were in progress. The Board of Public Service of Cleveland, to which the defective ordinance was referred, received a written communication from the local Chamber of Commerce, requesting that action upon the project be deferred until the advisability of the proposed change in the functions of the municipal government could be investigated by that organization. Although treated with but scant courtesy by the board, the Chamber of Commerce appointed a committee of investigation of which more will be related hereafter. At one of the board meetings, the vice-president of the electric lighting company which does business in Cleveland, developed the important fact that the administration was seeking to institute municipal ownership for

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\*This was, possibly, necessary verbiage. As a matter of fact, no bids had been received.

its own sake and not, primarily, in order to secure street lighting at a lower cost. That no concession in the price of the street lights would cause the abandonment of the project had previously been known to a few and was subsequently admitted by the Mayor even while he was attempting to induce certain councilmen to abandon their opposition, but Vice President Scovil, in his appeal to the board, made the fact clear to all. He said, in part:

“We would like to know whether the city proposes to go ahead with this municipal lighting scheme, regardless of what concessions might be made by the company now furnishing the light. We would like to know whether this is being advocated only for the sake of having a municipal lighting plant for the purpose of experimenting along municipal ownership lines.”\*

Mr. Scovil also informed the board that his company would be willing to “meet the city more than half way in the matter of fixing rates” rather than to enter into competition with a tax-supported city plant. At a public hearing held by the board on Monday, June 8, the advocates of the plan were represented by Dr. Bemis, and Mr. Scovil was heard in opposition.† Communications were received from

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\*The Cleveland Leader, June 6, 1903.

†Dr. Bemis had said to the Cleveland Leader (see its issue of June 7, 1903) that “I expect to be given general supervision of the proposed electric lighting department and to retain my present position,” so the Board really had before it the chief executive of the



the Chamber of Commerce, announcing the appointment of its committee to investigate the project, and from the Sozialer Turnverein urging that it be put into execution without delay "regardless of protests or opposition from any source." Mr. Scovil renewed his suggestion of willingness to consider a readjustment of prices. In this connection, it should be stated that the lighting company has supplied lights at very low rates compared with the average for other cities, and especially low when considered in relation to the facts that it has never had more than a twelve months' contract and supplies fewer lights than are taken by most large cities. The progressive reduction in the rate and the number of lights supplied are shown below :

Year	Number of lights	Price per light per year	Service	
1893	251	\$88.66	Moonlight schedule	
1894	253	88.66	"	"
1895	335	88.66	"	"
1896	484	94.80	All night, every night	
1897	854	93.24	"	"
1898	879	93.24	"	"
1899	890	89.88	"	"
1900	892	87.60	"	"
1901	977	82.92	"	"
1902	1,096	82.92	"	"
1903	1,099	75.00	"	"

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private company and the gentleman who hoped to be the chief executive of the public plant by which he urged that it should be superseded.

## THE CHAMBER OF COMMERCE

The Chamber of Commerce committee, which, assisted by the secretary of the chamber, Mr. F. A. Scott, prosecuted a vigorous and searching investigation, consisting of three well-known citizens of Cleveland, Messrs. Thomas H. Hogsett, E. J. Blandin and A. B. McNairy. Messrs. Hogsett and Blandin have both been prominent for many years as Democrats and are among the leaders of the Cleveland bar. Mr. McNairy is a manufacturer and a Republican. During its investigations the committee heard Messrs. Bemis and Scovil, Mr. E. B. Ellicott, city electrician in charge of the municipal street lighting plant of Chicago, and Mr. Alexander Dow, who erected and for some time operated the city plant in Detroit, which is also for street lighting only. Its report, a pamphlet of seventeen pages, was made public on July 27. It strongly condemns the project, basing its opposition principally upon the ground that whatever may be the proper policy of a great American city in regard to municipal ownership, the needs of Cleveland in other directions would require all the capital it could afford to invest for many years. The committee reported that it was not aware of any public demand for a city electric plant, and that neither Mayor Johnson nor Dr. Bemis had alleged the existence of such a demand or claimed that the community was suffering from oppressive action or extortionate rates on the part of

the electric lighting company. Dr. Bemis was quoted, however, as having asserted that:

“If electricity can be sold low enough, it can take the place of steam; it can easily have an enormous development for power and lighting purposes, and that power is taking the place of steam and gas.”

Another argument attributed to Dr. Bemis was that competition from the city might cause the existing company to reduce its prices, and that if this were to result, the municipal plant would have “accomplished its mission.” The committee, however, came to the conclusion that:

“The rates of the local company are not unreasonable, but on the contrary, your committee finds that they are as low and in several cases lower than those in other cities of a size comparable with Cleveland.”

#### BUSINESS MEN IN OPPOSITION

The committee also submitted the report of Dr. Bemis, on which the City Council had adopted the ordinance that proved to be invalid, attempting to authorize a bond issue, to a critical examination which showed it to be based upon insufficient data and misleading in its conclusions. It was noted that some of Mr. Phelps's “detailed tables,” which were the basis of the fundamental estimates of original and operating costs, had been withheld as subject “to revision upon further study,” and that when asked to submit them to

the committee, Dr. Bemis had replied that they were inaccurate and he preferred not to permit their examination. The committee alleged that in the single item of preparing the engine house, there was an omission of \$50,000, and that if a proper allowance was made for the value of the land belonging to the city which it was proposed to use, and for other omissions the real cost of the experimental plant projected would be \$505,750 or about 35 per cent more than the estimates. It was also asserted that the annual cost of street lights furnished from such a plant as that contemplated could not be less than \$85 each.\* The committee found that both Chicago and Detroit were paying more, under municipal ownership, for their street lights than Cleveland and that the general experience of city governments throughout the United States proves that operation by public officers is more costly than under private management. It argued that even if the rates and practices of the electric company were unreasonable, which was denied, the proper policy for the city was regulation rather than ownership.

It declared:

“Whenever their rates are excessive they can be made un-

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\*An experienced electrical engineer suggests that the projected plant of two units of 1,000 kilowatts capacity each would have about the most expensive combination that could be contrived, as half of its entire capacity would have to be kept constantly in reserve. With four units of 500 kilowatts capacity each, but one-fourth of the aggregate would be required for reserve. Any plant must have a reserve equal to the largest unit required in daily use.

lawful and reasonable charges established. Whenever their services are below a proper standard of quality or their methods oppressive or unjust, the necessary corrections can be required by law. In fact, without risking a dollar of the city's credit or adding a mill to the tax rate the city can accomplish all that is possible through a municipal lighting plant except to require that the business of supplying electric light and power to the citizens of Cleveland shall be conducted at a loss."

Another objection raised was to the use of the city's credit and its taxing power to supply a service of which relatively few of its citizens were likely to avail themselves. This was held to be a wrong use of the right to tax. It was suggested that if the city authorities could not be induced to abandon their project, equity demanded that the bonds issued should not be a general lien upon the city's credit but only upon the property and revenue of the plant.

#### CLEVELAND'S IMMEDIATE NEEDS

Attention was called to needs of the city which were described as "vital" and sufficient in their aggregate demands to necessitate a selection among desirable improvements of those most requiring immediate expenditures. Especially great, said the report, was the city's need for pure water, for want of which citizens were daily dying from typhoid fever and other diseases due to a polluted water supply. Other needs, preferred by the committee to a municipal electric

plant, were enumerated as follows: new viaducts, sewers, parks, public buildings, improved harbor facilities and better fire protection. The committee also suggested that the question whether the Merit System would govern in the selection of the employees was debatable as well as whether the city departments were so well handled as to justify public eagerness to increase their number and functions. In conclusion, the committee earnestly requested the City Council to consider its report, expressing the belief that further investigation of the proposition to build a municipal electric plant would enable that body clearly to perceive "the inadvisability of proceeding with the project." In this paragraph it declared itself:

"\* \* \* at a loss to understand why this project to build a municipal electric plant should be brought forward by the city authorities at this time; and your committee has been unable to obtain from the authorities themselves any sufficient reason for this improvement being advanced over others that are unquestionably of far greater importance."

#### ROUGH RIDING

On the evening of the day on which this report was made public, the City Council met to consider, among other things, the new lighting plant ordinance. The Mayor was present in accordance with a resolution inviting him to attend all sessions which was passed at one of the earliest meetings of the present Council, and under which he is entitled to the priv-

ileges of the floor. By a strict party vote of twenty-three to nine the Council refused to listen to the report of the Chamber of Commerce and adopted a resolution sending it to the official files and:

“\* \* \* in answer to the statement from the committee that it has heard of no public demand for the construction of a municipal electric light plant,”

directing the clerk to transmit to that body a copy of the platform adopted by the local Democratic convention at the beginning of the previous municipal campaign and a statement of the votes cast for the candidates at the election which followed. The discussion on the bond issue ordinance which ensued was extremely excited and somewhat personal in tone. Mayor Johnson asserted that the opposition was due to pressure from all the local lighting companies, including the gas companies, and that in this they had the assistance of similar concerns from all over the country. He declared that all the Democratic members, a number sufficient to adopt the ordinance, were pledged to the measure and concluded with the threat that he would drive out of political life any Democratic member who voted with the opposition. As the discussion progressed, the presence of Democratic opposition became manifest and two members representing that party, who afterward voted with the Mayor, asserted that they did not feel that they were elected as advocates of a municipal lighting plant and doubted the

wisdom of erecting one. The leader of the Democratic opposition, a councilman at large whose nomination had been opposed by the Mayor, declared that the plans for the plant had not been properly matured and that he was convinced that a vote in favor of the project was not justified by the data at hand. He also thought that the report of the Chamber of Commerce was entitled to a good deal of weight. The vote which followed was nineteen in the affirmative and thirteen in the negative, one negative vote being cast, however, for the purpose of moving a reconsideration, so that the real strength of the opposition was twelve votes. The number was made up of the nine Republican members and three Democrats.

#### THE SPOILS SYSTEM AT WORK

Immediately after this vote was recorded it became evident that the Mayor hoped to obtain the two votes necessary to change the result and to secure a reconsideration one week later. The measures resorted to during the week involved the utmost exercise of the power of the "patronage" of the City Hall and no member of the official force, who could aid in bringing pressure upon the independent members of the Council to reverse their position, was permitted to remain aloof from the contest or to allow his duties as an employee of the public to conflict with his activities as a political agent of the city's chief executive. The headlines referring to this



subject in *The Cleveland Plain Dealer* of July 29, 1903, are instructive, particularly as that paper is in political alliance with the Mayor. They are: "To Frighten or Persuade," "Mayor Seeks to Drive Bolting Democrats into the Fold" and "Won't Give Up Fight for the Electric Lighting Plant." The article which followed declared that on the day following the rejection of the ordinance by the Council:

"\* \* \* two Democratic mass meetings were held at the City Hall. One was in Mayor Johnson's inner office and was composed of active Democrats of the third ward, constituents of Stanton. The other meeting was of twentieth-ward Democrats and was held in the outer offices of the Board of Public Service. These were the irate fellow-wardsmen of Roche."

As might be supposed, the gentlemen named in the foregoing are two of the independent Democrats who voted against the bond issue. Other mass meetings were held, petitions were circulated, and committees demanded that these councilmen should vote for the Mayor's project or resign. In the meantime less spectacular methods were resorted to in an attempt to divide the Republican vote and the attention of those whose support was hoped for was called to the political preferment which the Mayor had obtained for two former Republicans who had come to his assistance in earlier contests. The United Trade and Labor Council of the city was enlisted "to frighten or persuade," and its resolution "heartily condemned" the Democratic opposition. Even the

final resort to a party caucus did not, however, sway the independents from the position they had assumed and when the final vote was taken, the three Democrats who had registered their opposition a week earlier, stood steadfastly, with the nine Republicans, against the ordinance.

#### A FLANK MOVEMENT BY THE MAYOR

The Mayor, with his usual fertility of resource, was successful in turning a bitter defeat into a half victory by securing the introduction and adoption, by a three-fourths vote and under a suspension of the rules, of an ordinance calling a special election for September 8, and submitting to the people the question whether \$400,000 in bonds should be issued to build an electric lighting plant. To do this he had to obtain the unanimous support of the Democratic members of the Council assisted by one Republican. It was decided to submit five other bonding proposals at the same election, all for purposes undeniably within the legitimate field of municipal activity.

The strenuous week during which an effort was being made to undermine the opposition in the Council had in part prepared the public for an expression of its will on the question. There was no longer any danger of either side succeeding by the default of the other. The public had awakened.

## THE SPECIAL ELECTION STRATAGEM FOILED

The immediate consequence of this awakening was the organization of a Citizens Association headed by Hon. John C. Hutchins, a prominent member of the local bar, who had served honorably on the bench and as city postmaster under appointment from former-President Cleveland. This association was strictly non-partisan and its officers were all business men of the highest local standing. Its efforts were intelligently directed and continuous up to the date of the final vote and to them is chiefly due the defeat of the proposed change in the policy of the city. A preliminary survey of the situation by this association convinced its executive committee that a complete expression of the will of the citizens of Cleveland could not be obtained under the call for the special election. This conclusion was based in part upon the impossibility of conducting an educational campaign covering completely a city of 425,000 inhabitants within the period between August 3, the date of the ordinance providing for the special election, and September 8, the date set for it, but especially upon the law governing such special elections. This statute provides that when a special election to decide whether additional bonds shall be authorized is held within any city, there shall be but one polling place in each ward. The city of Cleveland has twenty-six wards and upward of 84,000 registered voters. At ordinary elections

there are more than two hundred polling places. Its laws provide for keeping the booths open for twelve hours on election day. If the voters are equally distributed among the twenty-six wards, they would have had to cast their ballots at the rate of  $4\frac{1}{2}$  per minute in order to cast a full vote at the special election within the period permitted by law. Obviously the number of legal voters disfranchised by the physical impossibility of voting with such rapidity would have been a large proportion of the total, especially as the population of the different wards varies greatly, and in some wards, the average speed necessary to register the wishes of each citizen would have been much greater than that for the entire city. Then, too, the distances between the outlying portions of some of the wards were so great as to make it certain that many could not afford the time necessary to vote. These distances were as high as  $2\frac{1}{4}$  miles, and in fifteen of the twenty-six wards exceeded one mile. For these reasons and on account of the cost of a special election, more than 7,000 registered voters of the city of Cleveland signed a petition asking for the abandonment of the special election with the understanding that the questions proposed then to be presented should be voted on at the regular November election, fifty-seven days later. Being convinced that the Mayor and the City Council would not forego the opportunity to submit the question at an election in which they would have a manifest and unfair advantage the Citizens Association, through its attorney, presented the question to

the Supreme Court of the state, and promptly secured an injunction making it impossible to hold the special election which had been planned. The ground for this injunction was the certain disfranchisement, so far as this question was concerned, of a numerous body of voters if the special election were held.

#### A FULL VOTE INSURED

After futile efforts to secure the dissolution of this injunction, the advocates of a city electric plant determined to risk the submission of the question at the regular election when a fairly full vote might be secured. Both sides then turned to the work of convincing the electorate of the wisdom of the policies which they advocated. The city press was no longer closed to the discussion and the news and editorial columns of all of the city's newspapers thenceforth gave evidence of the popular interest which had been aroused. The sympathies of the press were largely on the conservative side which received the support of *The Plain Dealer*, *The Leader* and *The World*, leaving to the other side, among the daily papers printed in English, only the lukewarm support of *The Press*, a Scripps-McRae publication of the sensational type. While the local Democratic speakers, most of them officers of the city and the rest candidates nominated by Mayor Johnson's influence, devoted a good deal of attention in their public addresses to arguing the lighting plant project and it had the

support of the Democratic organization the Republican party took no position in regard to it and its speakers ignored the question. This deprived the Citizens Association of the advantage which goes with a completely organized machine for getting out voters and seeing that their votes are fairly counted but the loss in this respect was more or less completely offset by the feeling on the part of many Democrats, which it occasioned, that they would not lose their "regularity" by voting independently on a question on which the Republican organization was non-committal.

#### METHODS OF THE CAMPAIGN

The campaign on the part of the advocates of a city plant was in part conducted through the dissemination of printed arguments and that of the Citizens Association was almost wholly on that plan although personal canvasses were made in a few restricted localities. The following extracts from the principal document circulated by the advocates of the plan are illuminating in a degree that ought to be pleasing to those who favor the duplication of lighting apparatus:

"One of the propositions, however, strikes at the monopoly now held by the electric lighting and gas companies of the city of Cleveland. The lighting companies now receive nearly \$300,000 a year from the city, and knowing that a municipal electric lighting plant will reduce not only the cost of street lighting, but also the cost of private lighting, the lighting companies have combined in an effort to defeat the

proposition. Of course they do not want to lose their money, which amounts to such a large sum by reason of their charging exorbitant prices. The electric lighting company alone gets \$115,000 a year out of the city. The lighting trust is waging a desperate fight against the establishment of a municipal electric lighting plant. \* \* \*

\* \* \* Burglars won't like it. If the city owned its own electric lighting plant, it would be possible to light the residence streets with electricity, just as the down-town streets are lighted now, and at no greater cost. The side streets of the outlying sections would be as brilliantly lighted as the main thoroughfares."

#### AN ABSURD MISREPRESENTATION

The last extract is particularly interesting. Cleveland has 573 miles of streets giving an aggregate length of 3,025,440 feet. As the lights on the "down-town streets," Euclid and Superior, are twenty-six feet apart it is evident that to light all the streets with equal brilliancy the city would have to have 116,363 arc lights. At \$50 each per year, a rate considerably less than the estimate made for the city by Mr. Phelps, that number of lights would cost \$5,818,150 per annum or more than twenty times as much as the city now pays for its entire lighting service and more than fifty times as much as it pays for electric lights. The same document asserted that municipal ownership of electric lighting plants has passed the experimental stage in this country, that certain suburbs of Cleveland which own their lighting plants supply relatively

more customers and make lower rates both for private and public lighting than the corporation doing business in that city, that the latter unjustly discriminates among its customers and that some fifty Ohio towns and cities which own such plants had found that it is "cheaper to keep a cow than it is to buy milk." No specific assertions of fact in support of these contentions were made in this document with the single exception of the statement that the street arc lights of Collinwood (a suburb of Cleveland) supplied by a municipally-owned plant, cost but \$52.41 per annum as against \$75 per annum in Cleveland under contract. No reference was made to the fact that the Collinwood lights are not operated when the calendar promises moonlight.

#### "BONDS AND TAXES"

The document most extensively circulated by the Citizens Association was entitled "Bonds and Taxes," but it consisted of extracts from a somewhat larger pamphlet. The complete table of contents of the latter reads as follows:

"What will the proposed municipal electric lighting plant cost, City and county indebtedness, Cost of improvements to which city is pledged, Bond issues to be voted upon September 8, Can we stand it?, Danger of excessive taxation, Waterworks and electrical business not comparable, The water supply, Compulsory arbitration, What the census shows, Advantages under private management, The right to tax, Every resident pays taxes, Tax-fed competition irresponsible, A fundamental business principle violated, Prices



for street lights—Chicago and Cleveland compared, Prices for street lights—Detroit and Cleveland compared, The experience of Columbus, The experience of Toledo, The experience of Hamilton, The experience of Bowling Green, Ohio; The experience of Xenia, Ohio; The experience of Lakewood, Ohio; Price and number of street lights in Cleveland by years, Philadelphia’s experience, The Post Office Department, The government printing office, Political aspects of municipal ownership, Competition in electrical distribution, Judge Thomas M. Cooley on competition in supplying public service, Municipal ownership is socialism.”

In this pamphlet it was contended that competition in the production of electric current at central stations and its distribution therefrom has been found to be undesirable, that this had been urged by the leaders in the movement to build a plant in Cleveland, and that they were stultifying themselves in advocating a project which had for its object the creation of such competition. It was shown that the arc lights supplied for street lighting by the municipal plants of Detroit and Chicago cost much more per year than those obtained under contract in Cleveland and that this is also the case in Lakewood and Hamilton, Ohio. The sale of the city plant at Xenia, Ohio, which had cost \$30,000, for \$2,000 was cited, as was that of Toledo’s \$1,000,000 natural gas plant for one-tenth of its cost and Bowling Green’s \$47,000 plant for \$12,000. The state of Cleveland’s finances and the necessity of early large additions to its present debt were also urged as reasons for abandoning the municipal ownership

project. Through the public press detailed histories of the failures of municipal ownership at Toledo, Columbus, Hamilton and Ashtabula were laid before the people. In answer to the charge of unjust discrimination it was declared that the differences complained of were, in most instances, based upon actual differences in cost which it would be unfair not to recognize and, in the others, were in recognition of special competitive conditions which bring into operation a principle similar to the "long and short haul" principle of railway practice.\*

The distribution of documents was not confined to the English-speaking voters, but translations in all of the languages largely represented in the complex population of Cleveland were made and circulated.

### A DECISIVE VICTORY

Such, in brief, is the story of the campaign. At its close, the vote on the proposal to bond the city for \$400,000 to in-

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\*The application of this principle to electric lighting may need explanation. It arises from the fact that the owners of large office buildings, hotels, etc., can often supply their own electricity very cheaply. In many instances a central station can take these contracts at rates below the cost to the owners because their acceptance requires little if any addition to its capital expenses. If then, it obtains more than the actual operating costs which they entail, the contribution to taxes and interest releases other lighting from a part of its natural burden for those purposes.

augurate municipal ownership in the electric lighting field was taken. The result by wards is shown below :

Number of ward	Total vote on municipal ownership	Affirmative		Negative		Majority			
		Number of votes	Per cent of total	Number of votes	Per cent of total	Affirmative		Negative	
						Number of votes	Per cent of total	Number of votes	Per cent of total
1....	2350	875	37.23	1475	62.77	.....	.....	600	25.53
2....	2062	1151	55.82	911	44.18	240	11.64	.....	.....
3....	2548	1131	44.39	1417	55.61	.....	.....	286	11.22
4....	2091	1162	55.57	929	44.43	233	11.14	.....	.....
5....	1653	885	53.54	768	46.46	117	7.08	.....	.....
6....	2142	940	43.88	1202	56.12	.....	.....	262	12.23
7....	2022	961	47.53	1061	52.47	.....	.....	100	4.95
8....	1907	1090	57.16	817	42.84	273	14.32	.....	.....
9....	1696	949	55.96	747	44.04	202	11.91	.....	.....
10....	1970	1003	50.91	967	49.09	36	1.83	.....	.....
11....	1676	719	42.90	957	57.10	.....	.....	238	14.20
12....	2137	867	40.57	1270	59.43	.....	.....	403	18.86
13....	1770	906	51.19	864	48.81	42	2.37	.....	.....
14....	2342	801	34.20	1541	65.80	.....	.....	740	31.60
15....	2242	933	41.61	1309	58.39	.....	.....	376	16.77
16....	1871	1222	65.31	649	34.69	573	30.63	.....	.....
17....	2166	1149	53.05	1017	46.95	132	6.09	.....	.....
18....	2237	997	44.57	1240	55.43	.....	.....	243	10.86
19....	2385	1030	43.19	1355	56.81	.....	.....	325	13.63
20....	1944	902	46.40	1042	53.60	.....	.....	140	7.20
21....	2004	556	27.74	1448	72.26	.....	.....	892	44.51
22....	2409	879	36.49	1530	63.51	.....	.....	651	27.02
23....	2168	983	45.34	1185	54.66	.....	.....	202	9.32
24....	2264	939	41.48	1325	58.52	.....	.....	386	17.05
25....	2493	539	21.62	1954	78.38	.....	.....	1415	56.76
26....	2076	624	30.06	1452	69.94	.....	.....	828	39.88
Totals	54,625	24,193	44.29	30,432	55.71	1,848	3.38	8,087	14.80

It will be seen from the foregoing that the conservative voters outnumbered the advocates of municipal socialism in

seventeen of the twenty-six wards of Cleveland. Wards one to eight, inclusive, comprise the region known as the West Side, which is the portion of the city that would have been served by the proposed lighting plant. Four of them are found on each side of the question, but together, they gave a majority of 385 votes, or 2.30 per cent of the total which they cast, against the project. The First Ward, which includes Edgewater Park and constitutes a residence district of notable attractiveness, shows 62.77 per cent of negative votes. The East-side wards voting in favor of the bond issue were the ninth, tenth, thirteenth, sixteenth and seventeenth. The first three of these constitute the region between the lake and river, and eastward as far as Oliver, Perry, Greenwood and Jackson streets. This region includes the railroad stations, the down-town shopping district and the city's "tenderloin." The sixteenth and seventeenth wards make up an industrial region largely inhabited by foreigners. The heavy vote against the project in wards fourteen, twenty-one, twenty-two, twenty-five and twenty-six is particularly worthy of note. With ward twenty-four, which has a population sufficiently less homogeneous to account for the relatively smaller conservative majority, these wards constitute the great district of separate American homes of Cleveland. It is the district bisected by Euclid avenue and includes the eastern park system, consisting of Wade and Gordon parks and the new Lake Shore boulevard.

## THE PERSONAL ELEMENT REMAINS

With almost any American politician except Mayor Johnson there would be little doubt that the decisive defeat of the project of city ownership of an electric lighting plant would cause its final abandonment. Prior to the election, when asked what effect the defeat of this project would have upon the local Democratic program, the Mayor replied, with familiar elegance of diction, that in his political career he had "lost heats but never a race."\* He has already given evidence of his intention to hold the local Democracy to every detail of the program which he formulated several years ago, and the only doubtful element in the situation is his ability to secure the allegiance of a majority of the organization in the face of such a repudiation of one of his principal policies by the people. Has the vote against municipal socialism in Cleveland made it sufficiently unattractive to practical politicians to give the control of future policies into the hands of the conservative section of the Democracy of Cleveland and to relegate to private life the leader who will undoubtedly decline to moderate his radical program? This is a question which only time can answer. Mayor Johnson's term will not expire until late in 1905 and in the meantime he will do what he can, in spite of its rejection by the people, to carry out the plan recently defeated at the polls. It is

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\*Cleveland Leader, August 3, 1903.

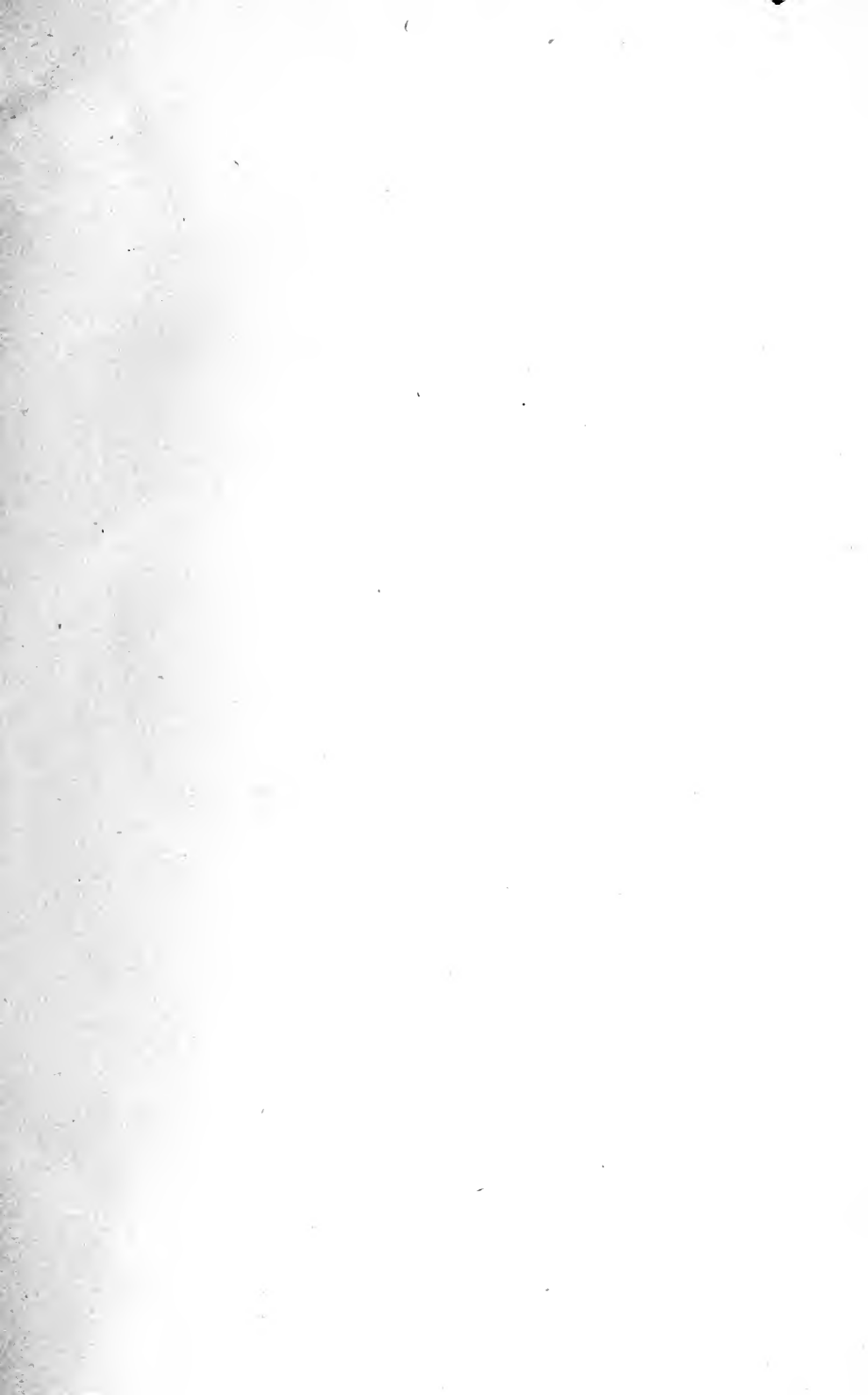
asserted that the suit to establish the legality of the "lighting and power" bonds which were authorized by the unanimous vote of the City Council, before the opposition to a city plant had been aroused from its lethargy, is to be pressed and a decision favorable to the bond issue sought. In the hope of such a conclusion, an ordinance appropriating the proceeds of these bonds (if and when issued) for the purpose of building the electric plant which he desires was introduced in Council in December, 1903, but it failed of enactment. That a decision justifying the purchase of such bonds will be obtained is extremely unlikely.

### THREE EASY LESSONS

The lesson to the great cities of the country contained in the result of the Cleveland referendum is threefold: To their conservative citizenship, it is that the strength of radicalism is by no means proportional to the noise which it makes; to the opportunist politician, it is that advocacy of municipal ownership is not always an easy road to office, and to the corporaion officer, it is that the public service corporation with a clean record can sometimes justify its ways to men, even in the face of demagogic attack.

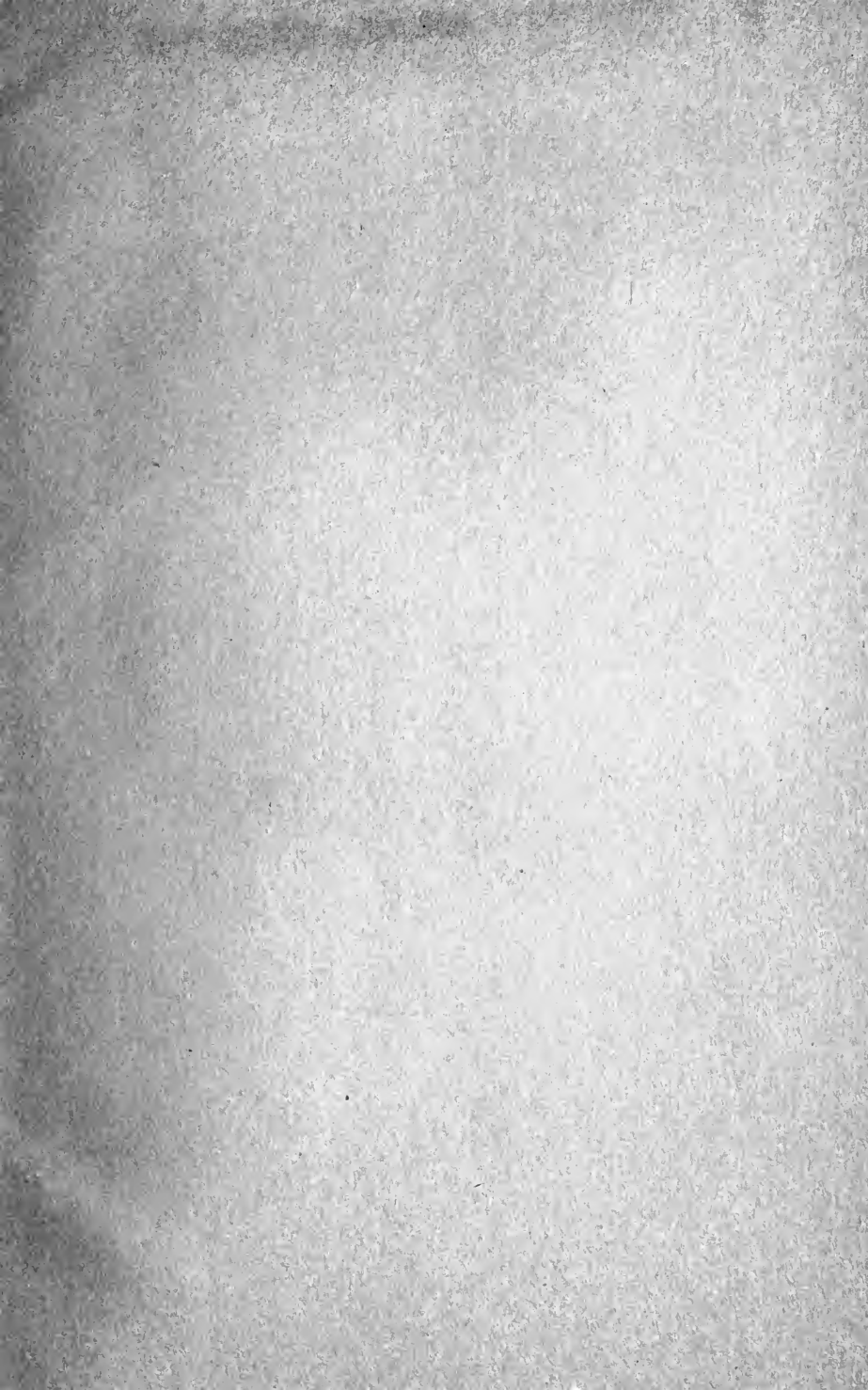
H. T. NEWCOMB.

Washington, D. C., Bond Building,  
March, 1904.









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