

THE TRACTION QUESTION IN DETROIT.

Parts of the Speech of F. F. Ingram, a Business Man of Detroit, Before the Detroit Committee of Fifty, March 8, 1909.

Mr. Chairman and Gentlemen: I have been regarding with some suspicion the items that have appeared the last three or four days in the newspapers of this city which advertise me as an expert on this important question. I am not an expert and do not pretend to be. I am simply a citizen occupied with my own affairs like yourselves. But what I have learned in this matter you are welcome to, in return for the compliment you have paid me in inviting me to address you.

Our experience in street railway matters has been a long and dreary, and unsatisfactory one. It has disturbed our politics and interfered with other municipal issues. So it seems to me that the sensible course in this year when these franchises expire, is to take back our own. We are in the position of a business man who had contracted away an important part of his property, a part upon which his business was largely dependent. Would he be in doubt as to what to do, when finally the hour of the expiration of that contract had come?

Our opponents, for I am speaking as a believer in municipal ownership, contend that street railways should be privately owned and publicly controlled. But part of our experience of the past thirty years has been our endeavor to control privately owned street railways, and we have found it an impossibility.

There is nothing on earth that creates wealth so fast, so enormously, as does a city. Yet there is hardly anything that has so much trouble to raise funds without piling up appalling debts. Why should that be? A corporation that produces wealth faster than any other corporation on earth, yet always so poverty stricken! Isn't it because cities turn their income producing functions over to private corporations, and keep for themselves only those functions of a city that are maintained and operated at a dead loss?

We all realize the necessity of the cultivation of a respect for property rights. Fortunately, in Detroit those rights, as regards mine and thine, are safeguarded, not only by law but by public sentiment. But how is it about *our* rights? Besides mine and thine there is ours—the communal rights, the rights on our streets, and other rights in common. It seems to me that this alienating of the common property and placing it in the hands of corporations, must of necessity result in extortion and injustice.

You have heard an array of statistics. Of course statistics are important, but I shall not bother you with many. I will simply read from a

book published by the government of Great Britain, known as the Municipal Year Book. This book reports the activities and other important matters regarding the cities of the United Kingdom. Its date is 1908.

Referring to tramways, it says: "No branch of municipal enterprise has made such rapid progress during recent years as that relating to tramways. Almost without exception every large town has completely municipalized the tramways, or is about to do so. The expiry of tramway companies' leases coincides with the introduction of new methods of traction, and before many years the facilities for rapid transit in our great centers of population will be completely revolutionized. Municipal corporations in some cases anxious to get tramways completely under their control at the earliest possible moment, do not wait for leases to expire, but buy out the companies on terms which are profitable to the community. It is considered that no tramway service can be of the fullest benefit to the people unless it is operated, as well as owned, by the municipality. Every town is seeking to introduce electric or other mechanical traction, and as in the majority of cases the corporations own the electric supply, the introduction of electric traction will prove of great advantage, since the combination of the two public services is bound to result in a higher standard of economical working." Does that read as if they were getting tired of municipal ownership in Great Britain?

Now just a few figures showing the amount of capital invested by private companies and local authorities in the United Kingdom, and the gross receipts. Gross receipts from local authorities, that is, municipally owned traction companies, £6,853,000, private companies, £3,750,000. Working expenses of the municipal tramways, £4,323,000. I won't read the detailed figures. Ratio to income, 63 per cent; net revenue, £2,500,000; return on capital, 8 per cent. Those are collated from the official book. Average return on the capital for all cities, 8 per cent. Average fare per passenger is 1.05 pence. Average fare of the privately owned street railway companies is 1.26 pence. In other words, the average passenger fare on British municipally owned railways is about two cents. The book also refers to the local tax relief from the profits of the undertaking. This has all been done without burdening the taxpayers. In fact, it has returned a large profit which has been applied to the reduction of taxes, as was stated by our distinguished guest from Chicago.

The fundamental principle involved in this discussion is to my mind the difference between public business and private business. Private business should be done in a competitive manner by the citizens; public business should be done by the public. Any business that requires a special franchise or charter from the State or city is a public

business. A business that does not require such a paper or document from the city or State is a private business. My contention is that a public business must be done by the public, or we shall build up privileged classes. Men seek special privileges. They cannot have special privileges except at the expense of the rest of the community. To enforce those special privileges, to support them or to secure immunity from their restrictions, the corporations holding them must go into politics. Hence the corruption that we hear about in connection with franchise companies, private public utility companies, in the political arena. These franchises are simply a farming out of governmental functions. One of the most potent causes of the French Revolution was the Farmers General, to whom the powers that then governed France had farmed out nearly all government functions, even the function of taxation. The Farmers General finally got to be unbearable, and the Revolution came.

There has been a good deal of discussion in the public press about how we are going to obtain municipal ownership, and the difficulties surrounding it. Fortunately the new constitution of Michigan has removed many of these, and with a spirit of earnestness on the part of the citizens of Detroit, there need be very little difficulty in arriving at a solution.

The question has never been settled in any city except by municipal ownership. Our guest from Chicago has referred to the intense war that has been waged there for so many years, where the people, I believe, voted twice for municipal ownership, but finally municipal ownership was lost to them. But the matter is far from settled in Chicago today. The Chicago papers, even those that supported this present settlement, have recently been complaining. They are as rabid in their discussion of the street car matter as they were three or four years ago. They are there in just as great a dilemma as we are here. The chance for honesty in street car matters has been weakened in Chicago by this alleged settlement, which has proved no settlement at all. Settlement is farther away than it has been in the last ten years in that city, judging from the reports we read in the Chicago papers and the special dispatches to our own. Our Chicago guest referred to Mr. Dalrymple's visit. Mr. Dalrymple was one man. He was not acquainted and did not profess to be with circumstances and conditions in this country. His opinion, it seems to me, is of small weight compared to that of the opinion of the official head of that department of the British government which is responsible for the year book from which I have just read. There is really no settlement in Chicago. There never will be a settlement anywhere while private franchises exist.

As regards the difference in cost between muni-

cipal ownership and private ownership, which, as Mr. Payne has well said, is a minor consideration, we are told that the city cannot run her affairs as cheaply as a private corporation. I never have seen any good reason for such a statement. If the question were as to whether it is as economical to run a truck with horses as with gasoline motors, there would be some relevancy to the discussion. But whether the city owns the public utility or a private corporation owns the public utility, it must be operated and managed by human beings, and they will be the same human beings; and it is the rankest nonsense to say that those men, the same men, will not be as diligent servants of the city as they are of the corporations under the present arrangement. As far as politics are concerned, it would be a sorry day for Detroit or for Chicago if such a thing were possible, as to have more politics in railroad management than now. It is all politics now, nothing but politics.

Under municipal ownership some costs of service would be eliminated. There would be no cost for watered securities. There would be less cost for interest. There would be less cost for attorneys' fees. There would be no cost for lobbyists. There would be no cost for buyers' bonuses. Many of you gentlemen possibly, like myself, have been traveling salesmen at some time in your career, and we all know what the buyers' bonus is when a public service corporation is the purchaser of commodities. Of course it is possible for such things to happen in a city service. But with the publicity of the newspapers, the publicity of the accounts, the openness of the purchases and all that, it is practically impossible. Then there is another cost that would be eliminated. It is a high, a very high cost. It is the fancy salaries paid officials, who are experts only in manipulation and capitalization but know little and sometimes care less about transportation.

There is a peculiarly bad tendency in having great corporations in our city owning our public utilities. We have seen it manifested in the last few days in our daily papers. We have seen the credit of our city attacked. It was an unfortunate thing, and I presume the gentlemen whose interviews were of that tendency, regretted it. But in the eagerness to bolster up what I consider a bad cause, the cause of the private corporation, they have even attacked the credit of our city.

One feature I wish to mention which is not made an issue as between private and public ownership, but I think is an important matter, as it has been introduced by the previous speaker, and that is this idea of reducing taxes through excessive railroad fares. I do not believe in it. It is grossly and inherently wrong in every way. The people of a city are entitled to a home and a place of employment. They must necessarily use the streets to go to their employment from their

homes. The distances in a city are such that they must have some form of public transportation. Transportation on our publicly owned streets is, as I have shown, a government function, and should be furnished at the cost of service.

In closing, permit me to remind you that man is the only animal that can laugh. Do not let it be said that the men of Detroit deserve to be laughed at for letting slip by this golden opportunity to free themselves from the evils found to have been inseparable from private street car franchises now that the franchises are expiring.

BOOKS

FINANCIAL REFORM.

The Financial Reform Almanack and Year Book. 1909. For Fiscal Reformers, Free Traders, Politicians, Public Speakers and Writers, and the Public Generally. Published by the Financial Reform Association, 18 Hackins Hey, Liverpool. Price in paper 1s, in cloth 18d. net.

The association which publishes this Annual was established in 1848, for the purpose of advocating economical government, just taxation and perfect freedom of trade. The present issue, for 1909, contains, in addition to a great variety of statistical information of the standard kind brought down to date, an extraordinarily complete and suggestive statistical article on British free trade, which should prove of special value in this country during the pending tariff discussion.

* * *

PERSONAL CONTROL.

Control of Body and Mind. By Frances Gulick Jewett. Book Five of the Gulick Hygiene series, edited by Luther Halsey Gulick, M. D., recently director of physical training in the public schools, New York. Published by Ginn & Company, Boston, New York, Chicago and London. Price 50 cents.

From the publishers' statement it appears that this series wastes none of the pupil's time (for the books are school books, though not less useful to adults for that) in learning to count human bones or becoming familiar with the courses of the blood in its circulation; but inculcates an understanding of the living body, brain and all, as a going concern, together with the importance of keeping both of them clean and vigorous.

Naturally enough, scientific fads of the orthodox kind peep through the lines. Sometimes they do more than peep. The destructiveness of tobacco and alcohol and the value of vaccination—especially in the third book, "Town and City"—are obtrusively in evidence. It must be said, however, that the lessons against tobacco and alcohol

are presented with a force of scientific suggestion that influences the reader to recoil from their use; whereas in most school books the tobacco and alcohol passages have a strong tendency to make even the temperate reader feel like lighting a cigar and taking a drink. The elementary explanation of the city in "Town and City," is excellent: "Human beings are becoming more and more anxious to give and receive all they can from day to day; and they wish to do this as conveniently and promptly as possible. It turns out, also, that the more they have the more they want, and the more they want the more they learn to make, until today men and women all over the world are living together as groups of people who depend on one another. Some are manufacturing goods, some are selling them; some supply food, others supply wits. All are buying something, and in one way or another they all serve each other."

But it is "Control of Body and Mind," and not "Town and City," that we are reviewing; and of this there is nothing to say but in praise of its excellence for its purpose of training children in the most important material knowledge they can ever acquire—an understanding of the body in which they live and the brain through which they relate themselves to the body. Children of older growth will not find its perusal any waste, either.

To the scientist there is, of course, nothing new in the book. If there were it would be to that extent valueless. To almost any other well-informed reader it contains nothing new. But its method of conveying the common places of physiology and psychology to the uninformed mind is extraordinary. Its explanations come like revelation. Their effect may be compared to apprehension of the reasons for the operations of a machine, by one who has used it until its operations are familiar though the reasons for them are unthought of. This is particularly true of the chapter in explanation of habits. And a new light breaks in when the causes and reactionary effects of weariness are picturesquely demonstrated. "After a hard day on the athletic field or on the farm tossing hay, suppose a tired boy exclaims, 'I'm dead tired!' Shall we advise him never to get so tired again? Certainly not. There are times when physical fatigue is the best thing in the world for any of us. But if that tired boy also says, 'I suppose I've got to study my geometry no matter how tired I am,' we shall know enough to tell him that it is cruel to his brain to try to make it work when his muscles have robbed it of its nourishment, and that what he learns at such a time is quickly forgotten. We shall advise him to rest for a while, then begin his brain-work, knowing that when rested he will probably accomplish twice as much in half the time."

How often have we heard and believed that