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Philadelphia

NATURALLY the questions uppermost at this time in the minds of students of municipal conditions are: What effect is the great European war having upon the municipal situation? Has it diverted interest? And if so, in what way? Has it interfered with the orderly functioning of the city? Has it stopped public improvements? Has it hurt municipal credit, and the development of sound municipal sentiment?

To each of these queries, a separate and extended answer could be given, but generally speaking, the influence, by and large, of the war on American municipal life has been much less than was reasonably anticipated. This assertion is based on a great mass of testimony gathered mainly from personal letters from editors of long experience as trained observers of public opinion in their respective localities. In the words of one: "I have been unable to note any effect upon municipal activities in Los Angeles because of the European war; and I do not anticipate any material diversion from municipal affairs, nor does there seem to be any indication that the war will hurt public improvements unless it be for those projects which depend upon the sale of bonds."

Seattle reports that the European war "has not appreciably affected municipal conditions in Seattle, unless perhaps it may be in bringing more sober attention to matters of taxation and the like," certainly a most desirable result, and right here it may be pertinent to remark that increasing federal and state expenses are destined to have the same effect.

So far as the Pacific Coast is concerned there is practically but one story. The same is true of the central sections. New England bears

¹Twentieth Annual Review of the Secretary of the National Municipal League.

similar testimony, a New Haven editor expressing the belief that is commonly held that "municipal conditions are not affected; and if affected at all, they are improved slightly instead of being the other way around, nor are public improvements affected by the war agitation." The same message comes from the middle states. In short, a great mass of correspondence reflects the fact that the American municipal citizen, while profoundly interested in every phase of the greatest war of recorded history, is nevertheless going about his municipal business just about the same as usual, but with somewhat more care, thoughtfulness and sobriety than formerly.

Nor has the war interfered with the orderly functions of the cities. There has been a natural conservatism in the undertaking of new work and the assumption of new functions; but so far as reported there has been no abandonment of those lines of activities previously assumed and regularly carried on. Although it must be pointed out that if it had not been for the war, the new year would have seen the greatest development of municipal activity the country has ever witnessed, along both physical and general lines, and I am not at all sure that the war will check the latter. That it has seriously interfered with the former, however, there can be no doubt, due, however, undoubtedly to the unsettled financial condition of the country.

From all sections comes the word that there is great difficulty in placing city loans, at least through the usual channels. Although there have been notable exceptions as in the case of New York, which with comparative ease floated a loan of \$100,000,000 to take up the city stock held abroad and falling due this autumn.

Municipal credit as such does not seem to be hurt or jeopardized. The trouble seems to be in the disinclination of the capitalists to invest in municipal or any other issues, although this timidity and unwillingness is beginning to show signs of disappearing, and the belief quite widely prevails that where municipal bond issues are offered in popular amounts and over the counter, as described in the review of last year's municipal events² they will be promptly taken up. Indeed the opinion prevails among financial authorities that the European situation in time, and that a comparatively short one, will make municipal securities the most desirable in America. The solution of the present problem is the issuance of short term notes, not revenue bonds issued in anticipation of taxes maturing in six or eight months, but two, three and four-year or one to five-year serial securities, similar to the recent six per cent corporate stock notes issued by New York City, carrying interest at five or five and one half per cent or possibly a little higher, according to the size and credit of the borrower.

From the city's standpoint there is a great advantage in this policy

²See NATIONAL MUNICIPAL REVIEW, vol. iii, p. 1.

enabling it to avail itself of cheap money. In the words of *The Bond Buyer*: "When the notes approach maturity, say in 1917 or 1918, the municipality may then be able to refund them with long term bonds at a rate of interest approximating the investment basis which existed before the outbreak of the war. In the event of their not being able to better themselves in respect to the cost of the capital, a new issue of notes could be issued extending the maturity until the opportunity to borrow on long-time bonds offered."

This plan coupled with the plan adopted by Portland, Oregon, of issuing its securities in small amounts will tend to place city finances upon a sound and a democratic basis.

The tendency to enlarge the scope of the city's functions, which has been one of the marked features of recent municipal developments, is having a profound influence upon municipal life and especially in the matter of finances and business methods and the form of city government. It has unquestionably been the chief impetus of the movement, first for the commission form of government and then for its later development, the commission-manager form.

There has been no recession of interest in these two forms—no city which has adopted either has so far voted to go back to the old conditions. A strenuous effort to do so was made in one city—Pueblo, Colorado—but the results were not reassuring to the opponents of progress and development, for the commission form received a much bigger majority at the second election than it did at the first.

Buffalo after six years of unremitting effort has finally secured a commission charter and so becomes the largest city in the country—its population is 439,666—to commit its legislative and administrative affairs to a single group of men—thus emphasizing the tendency toward concentration of power and responsibility which has been the encouraging characteristic of the past half dozen years.

Although charter revision has been less general during the past year than in any one of the preceding three or four years, due to the fact that it was so general in these years, and to the further fact that its results were so generally satisfactory, nevertheless it has shown no reaction in the matter of form and content. The larger cities have been particularly busy in preparing and considering new charters. Chicago has a permanent charter commission; New York has taken a similar step; St. Louis has a new charter, which provides a much simpler form with direct legislation features and while not a short ballot instrument, it provides for a greater concentration of authority and responsibility than the old one, which was antiquated, complex and tortuous. Toledo has just approved the federal plan, but it provides a real short ballot, direct legislation and preferential voting. Cleveland defeated certain efforts to change its modern charter adopted a year ago.

What is aptly called the vanishing system—the bicameral form of city government—is to be found in only nine of the largest 50 cities. These cities are Philadelphia, Baltimore, Kansas City, Providence, Louisville, Atlanta, Worcester, Richmond, Virginia, and Cambridge, Massachusetts. In the light of the events of the past five years, and especially of the past two, it would not be much of a hazard to predict that five years hence not one of the larger cities will be risking its business and its future to the evils of a form which affords such abundant opportunities for inefficiency, and waste and mismanagement. Already a long list of the larger cities have remodelled their plans and the others are seriously considering doing so.

Hand in hand with this improvement, and usually just preceding it, has been the movement for municipal home rule, which is daily gaining a firmer hold on public opinion and which in the course of the coming generation is destined to become the settled policy with regard to the relation of the states to the cities. The direct election of federal senators has helped, as has the growth of the sentiment in favor of non-partisanship. The commission form is the embodiment of this latter idea and all the newer charters for the larger cities are based on the same idea and the reports from these communities are generally most encouraging and satisfactory. The question of the relation of political parties to municipal life and activities has not been finally settled, in view of the continued existence of the long ballot in many places, although the sentiment in favor of excluding the consideration of national politics from municipal affairs is well nigh unanimous among students and publicists.

Evidently the commission form of government and the commission-manager plan tread hardly upon somebody's toes, judging from the frequency with which stories are sent out that there is complaint and dissatisfaction in those cities now operating under such forms. In only two cities to date, however, has the dissatisfaction been sufficiently great to secure a sufficient number of signers to a petition to have the question submitted to a vote: Spokane, Washington, and Pueblo, Colorado. The former three years ago defeated a proposition to return to the old form by a larger majority than the new form had received at the first election, and Pueblo in June last voted down a similar proposition four to one.

Some idea of the success of commission government in the nine Iowa cities operating such a plan may be gathered from the figures a short time ago sent to the governor of the state by the auditor. For the first time these cities, in 1913, lived within their income, according to the report.

The federal census has likewise been collecting the figures with regard to the operation of commission government and the results have been equally satisfactory. Of the 69 commission cities covered by the latest government report, 61 were found to be running at less per-

capita than the average head expense of the 195 metropolitan centers of all classes considered. But even where the expenditures of commission cities are higher than others, it is a generally conceded fact that the taxpayers of the former are getting more for their money than they ever received under the old system. Public improvements are not only numerous under the commission form, but the character of the improvements has been raised. With hardly an exception, the reports from commission-ruled municipalities tell of more efficient and cleaner administration.³

William Allen White recently wrote to the *Springfield Republican* to this effect: "I do not believe that the commission form of government is an unqualified success. Neither is human nature an unqualified success. But the commission form does furnish an opportunity for good citizens to get good government if they are willing to work for it. The council form does not furnish us as good a material and the experience of Emporia with the commission form of government on the whole has been more satisfactory to my mind than with the council form of government, although of course every form of government must reflect in a large measure the minds of the citizens that live under it. The commission form encourages good citizenship by making it easy for good citizenship to express itself."

Coincident with the movement for newer and better charters has been one having for its purpose the placing of the finances of the city upon a firmer and more business-like basis. For years and generations a happy-go-lucky plan of raising and spending money has prevailed and very little attention was given to the matter because city taxes and expenditures formed so small a part of the whole—but now the city bulks larger and its needs grow greater and the financial burden of its upkeep becomes heavier and so becomes more evident, and so city finances come into the foreground.

The private individual, firm or corporation, as has so often been pointed out, that does not adjust probable expenditures to probable receipts at the beginning of the business year, is very likely to run up against serious difficulties at the end of it. In the conduct of private affairs generally, allotments of income must of necessity be made as a precaution against

³ In commenting on this report the *Christian Science Monitor* of Boston says:

"Facts collected by the federal government with regard to the progress of commission rule in municipalities in the United States are far more eloquent than any argument based on theory in favor of the new system or opposed to it. Commission government is still occasionally rejected by communities; in a few instances where it has been adopted the results have not been wholly satisfactory, but speaking generally, increase in the number of places adopting it and growth of satisfaction over its operation have been steady from the beginning. Every year adds new municipalities to the list, and every year shows that the tendency toward its adoption is growing stronger in the large cities."

deficits. The average head of a family instinctively sets aside a sum for the maintenance of his home, the average housekeeper sets aside certain portions of this sum to meet the various drafts that are certain to be made upon it. In proportion to the care taken in holding expenditures within the allowances made will the business man or the housewife succeed in making ends meet at the close of the year.

This, however, has not been the custom in the great majority of American cities, at least until very recent years. The loosest of methods of raising money, appropriating it and expending it have prevailed, not alone in cities but in the states and nation as well. Congress seems to have formed a strong, and an almost unbreakable attachment for annual deficiencies and for annual deficiency bills.

As early as 1900 the National Municipal League began calling public attention to this condition of affairs, attacking the problem from the angle of uniform financial reports and uniform accounting. Since then it has persistently followed up the work with effective assistance of such organizations as the bureaus of municipal research, who have devoted their energies and resources largely to this phase of the city problem.

The demand for the adoption of modern, scientific budgets; the careful estimating of possible expenses and available sources of income as a precedent for the appropriations—is growing in favor. The larger cities like New York, Philadelphia and Baltimore are taking a leadership which means an early accomplishment of greatly needed changes.

New York has made a substantial and significant contribution in the domain of municipal finance, marking a distinct epoch in the development of thought on matters of city finance. Briefly stated it is this: All improvements already authorized are to be paid for by proceeds of 15-year serial bonds, to be retired in 15 annual instalments out of the tax levy. All future improvements (except those of a self-supporting nature) are to be financed as follows: In the first year—one fourth out of the tax levy and three fourths out of the proceeds of 15-year serial bonds. In the second year—half and half. In the third year—three fourths out of the tax levy and one fourth out of the proceeds of the 15-year serial bonds.

In subsequent years, New York will finance all of its permanent improvements (other than those that are self-sustaining) out of its tax levy, thus saving enormously in interest charges. After the last of the 15-year serial bonds will have been retired it will gradually reduce the tremendous debt (approaching a billion dollars), which it has now accumulated.

This straightforward, business-like, modern plan will, for several years to come, mean higher taxes, although eventually it will result in great saving, and “posterity, instead of an inheritance of huge debt will” as the New York bureau of municipal research points out, “receive from

this generation unencumbered legacies of splendid municipal improvements."

To meet the temporary increase of taxes, the New York city club has formulated a program of economy which will at the same time result in permanent saving. It involves the abolition of unnecessary offices like those of coroner, the elimination of sinecures, the cutting out of fees and substituting salaries therefor, and generally placing the administrative machinery on the same sound business basis as is involved in the plan of the Board of estimate and apportionment.

This whole incident affords an illuminating illustration of the happy combination of official concern and investigation with volunteer co-operation, which is the mark of modern civic service and one of the most helpful and suggestive phases of present municipal conditions.

An important step in the application of modern methods to city affairs is to be found in the practical development of the merit system. So far as the moderately compensated places are concerned, the system is not only well founded, but the details of its application have been satisfactorily worked out. But with regard to the higher offices, the fight is still on. The events of the past year, however, have been most satisfactory and especially the classification by the New York City commission of the six secretaries to the Board of estimate and apportionment and the application of civil service procedure to higher positions in the municipal service.

Another event of significance was the change of the rules providing that hereafter a first grade clerk is eligible for promotion after one year in the service and a second grade clerk after two years. This shortening of the period of eligibility for promotion will encourage able and ambitious clerks to remain in the service and as the raw material for employees in the higher positions is drafted from these grades such a rule ought to have a good effect and tend effectively to raise the morals of the whole service.

The most far-reaching movement in the civil service of New York is the attempt to standardize duties and to classify positions based upon a description of the duties. The municipal commission is co-operating in this direction with the bureau of standards at Washington, that a sounder classification of the duties will be established. This tendency is general throughout the country and if it results in a sound efficiency record system, it will greatly aid the proper enforcement of the civil service laws and lead to a sound system of promotion, a consideration of the first importance.

The responsiveness of the merit system to the increasing demands for efficiency in administration was the keynote of the annual meeting of the National assembly of civil service commissions in Pueblo, in June. Beginning with competitive scholastic examinations for the appointment

of clerks, the system has been extended until it has been made applicable for testing fitness for highly technical and administrative positions other than those of elective officers, heads of departments and the principal assistants of the executive.

The need for placing the whole civil service of the city on a sound basis of non-political honesty and efficiency grows daily, if for no other reason because of the rapid increase in the number of functions assumed. For instance, San Francisco is now successfully operating a street railway and Detroit and Toledo have definitely voted to own and operate theirs.

Both the demand for municipal ownership and that for effective control of privately operated municipal utilities continue unabated. Practically every state (only two, Wyoming and Utah, have no form of control) regulates in some form or another, and with greater or less efficiency, the public utilities. The discussion of whether the regulation should be by state or local commissions continues unabated, although the developments of the year just passing have been on the whole more favorable to state than to local control, even in states like California, where municipal home rule as a general policy is so firmly entrenched. In that particular instance, however, the result is due to the effective administration of the state commission, which has earned for itself an enviable position for courage, fairness and wise public spirit.

An utilities bureau has just been established under Philadelphia's leadership, "to secure fair and reasonable rates to patrons of public companies, to fight frenzied finance and injurious monopoly, to see to it that cities are well represented and well defended in litigation over franchises and alleged rights." These are legitimate and laudable objects. If it is wise, feasible and proper (and it certainly has been shown to be so) for the representatives of street railway, electric light and gas companies to get together in annual conference and to discuss their mutual concerns, then there are equally strong reasons for cities to do the same thing.

Utilities companies are daily realizing that a public utility must have, as *Public Service* puts the case, "the good will of the public; but to get this good will it must deserve it. First of all it must render good service. It must reasonably cover the territory. It must furnish service that is regular and safe for a reasonable rate cheerfully, and willingly, through agents and employees who are competent, courteous and considerate." It might have added with equal propriety, "and it must show a decent regard for public opinion as embodied in public laws and in the rulings of public officials."

The desirability of those engaged in similar lines of work getting together has been amply demonstrated. The usefulness of the National Municipal League depends primarily upon its annual and committee meetings. Trade and professional organizations in great numbers point the same moral—and now the city managers are to get together in con-

ference in Springfield, Ohio, in December, to compare notes and exchange views and experiences. It is to be hoped that they will appreciate the fact that they are part of a country-wide movement for the improvement of city life everywhere therein. There are now an American society of municipal improvements, a League of American municipalities, not to mention sundry special organizations of policemen, firemen, electricians, and general bodies like the National Municipal League.

If it is helpful for a particular group "to get together," it will prove equally helpful if they will get together with other groups in the same line. There certainly should be one big organization of all the officials dealing with municipal problems, serving the cities of the whole country like the League of California municipalities⁴ serves the cities of that state. If the city managers will take steps to that end, then the meeting will prove doubly useful.

The principle of the direct primary has become more firmly established in municipal elections than in national elections and has worked more satisfactorily because in so large a number of cases the cities have achieved a comparatively short ballot, at least so far as purely municipal offices are concerned. Local ballots are still entirely too long, however, involving, as they do, the selection of so long a list of county and district officials.

In those cities where the preferential ballot exists, the results have justified its use. The prevailing system, however, in commissioned governed cities is that of the two elections, the preliminary one to choose twice the number of candidates to be chosen at the general election, and the second election designed to select the requisite number from the list chosen at the first election. In the cities where this system has been longest in vogue, the reports are on the whole most satisfactory.

There is very general discussion and quite considerable amount of objection to the direct primaries in connection with state elections, and as a judge of a Chicago court said: "Under present conditions in the great centers of population like the city of Chicago, the direct primary and the Australian ballot, as now constituted, have in effect broken down. One hundred and fifty-one people to be elected next Tuesday, on the same ticket, all printed in precisely the same size type, and all, except the head and tail of the ticket, hidden somewhere in the impenetrable jungle of a ballot which is measured by yards, both in length and breadth."

The Chicago situation does not indicate that either the direct primary or the Australian ballot have broken down. It illustrates and emphasizes the necessity for a shorter ballot. In the first place, there should be a separation of state and national elections from local elections, as prevails in Pennsylvania, New York, Massachusetts and a number of other states. In the second place, the number of officials chosen at elections should be radically cut down. The Australian ballot and the direct

⁴NATIONAL MUNICIPAL REVIEW, vol. i, p. 603.

primary cannot be said to have failed until they have been applied to conditions that make their fair application and use feasible.

The most significant development in city planning has been the number of calls for competitive designs for the plan of a city, such as the Dublin competition, or for portions of cities, such as the Richmond dock competition in California, the competition for a civic neighborhood in Chicago. Another important development has been the movement in New York City to impose proper restrictions as to the height of buildings and their arrangement on building plots. Emphasis is to be laid on this movement not so much because it is a step in the right direction, as for the reason that the opposition to the plan has been much less than expected, indicating that the people in New York and in the country generally are beginning to realize that the long cherished right of the individual to use his property as he pleases must be subordinated to the larger public interest. This is a lesson which Americans have been somewhat slow to learn, and it is a principle which seems to me fundamental in city planning.

There seems to be a great difference of opinion among social workers as to the effect of the war on social problems. The opinion of one is that "Already now civilization stops—stops dead. . . . Religion, philosophy, literature, painting, and, chief of all perhaps, science, with its torch at the head of our human hosts, are suddenly flung backward; they become of no moment. Who wants to know about Immanence? Who cares to hear what Bergson and Eucken think? Who bothers about books and pictures? Who is ready to endow a laboratory or listen to the chemist and the biologist?" And who, a Unitarian clergyman asks in quoting the above, "cares a fig about the social movement?" Our own Jane Addams declares "that all is out of joint, out of character. Human sensibilities were more acute when this war began than ever before. The comradeship, the friendliness between nations had been brought upon a basis of mutual understanding further than ever before. All organized social welfare activities are put back for years," she said. "We have to work up public opinion anew."

On the other hand, we have Dr. Graham Taylor of the Chicago Commons, that other Chicago pioneer social laboratory, declaring as a result of his personal observation:

"That first week in August, which threatened Europe with the greatest destruction which has ever overtaken its civilization, was signalized by the most constructive, or reconstructive, legislation ever enacted in any one week throughout the long history of the British Parliament. And it did so in the rush of its gigantic defensive and offensive preparations for war. Although all these measures are temporary provisions to meet the emergency demanding immediate relief from the present or possible disasters of war, yet they cannot fail to affect profoundly the social legis-

lation and administration which had already become the permanent policy of the British empire and of its county and municipal governments."

The obvious reply to Miss Addams' lament (and we all deeply sympathize with the feeling which gives rise to it) is that the very greatness of the European cataclysm will emphasize the need for even greater social and civic effort.

There is an increasing conviction that social and civic problems of great magnitude will follow in the footsteps of the war. The commissioner general of immigration holds the opinion that the natural thing to expect after peace is declared again is a quickened flow of immigrants to the United States. If the war is serious and causes general business depression in the countries which it affects, increased numbers of the working classes will have to seek opportunities in this country.

Apart from the special problems incident to the war, the present indications are that the coming year, like the one just closing, will be characterized by great social activity. The social center movement is gaining headway. The business bodies are coming in line because, as the Hoboken board of trade said in its November *Bulletin*, "There is something abroad, an irresistible social impulse, which is tending to promote the useful virtues, to encourage thrift, initiative, industry, co-operation, civic pride, and all those qualities of mind and will that make communities sound and prosperous."

The number of municipal social welfare departments is increasing. Dayton has one established under its new charter. Chicago has a department of public welfare, so have Denver, Duluth, Grand Rapids, Kansas City (one of the earliest), Los Angeles, Cleveland, St. Joseph, Missouri.

Of the more important happenings of the past year along the line of suppressing the social evil, James B. Reynolds, counsel for the American social hygiene association puts first the state-wide investigation of the vice problem in Massachusetts, Wisconsin and Maryland. Numerous commissions have investigated the intimate relations of vice to the physical and moral welfare of their respective communities. A result of these investigations has been the disclosure of interurban relations in vice.

An insistent demand for the safeguarding of young women at the Panama-Pacific exposition has been made by individuals and organizations throughout the country. This is significant of the aroused determination of cities better to protect young women under conditions of unusual danger to their normal welfare. Previous expositions in this country have been the occasion for the debauchery of young women because of the "wide open" town believed to be essential for the enjoyment of the heterogeneous crowd attending these expositions. This debauchery has been caused not through positive official dereliction, but because the need of positive protective measures was not realized and the

public did not demand such measures. Now the awakened public conscience exacts that exposition authorities shall not tolerate questionable shows and shall protect the moral safety of women visitors.

Surely a year which has brought out efforts such as have been described shows that our American life is headed straight. That we are beginning to think in terms of the community rather than in terms of the individual is a great gain; that we are not overlooking individual regeneration while we are improving our systems of government is encouraging; that we are working for an education that is a preparation for life, not life in some imaginary future, but as it exists now, and about; that we are building the foundations for an efficient democracy—these are the big things and may be depended upon to build up not only a barrier against the evils of unrestrained and widespread war, but a stable and enduring prosperity, that will be the common heritage of the whole people.