

## SHORT ARTICLES

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### REVIEW OF GRAFT PROSECUTIONS AND EXPOSURES FOR THE PAST YEAR

IT IS no joy in muckraking that has led the writer to undertake to compile for the NATIONAL MUNICIPAL REVIEW a summary of the leading graft cases in America for the past year. If space permitted in this connection an attempt would be made to show that this formidable array of graft is traceable to a comparatively few eradicable causes; and further, that far from being a subject for pessimistic conclusions the scandalous revelations of the past year are a sign of approaching civic health.

In preparing this article reliance has been placed largely upon the news columns of the daily press. The compilation may not, therefore, be exhaustive but it is believed that no material fact has been misstated.

In searching newspaper columns for graft material one can hardly escape the conviction that the evils charged against newspaper exploitation of crime are more than offset by the service rendered through publicity. A compilation of editorial opinion on graft exposures for the past year would make this more evident. If we can not accept without corroborative evidence the statement of the *Evening Wisconsin* that "despite the revelations regarding the prevalence of grafting which have been rife of late in the United States it is probable that there is less of that sordid vice on this side of the Atlantic than on the other," we can agree with this journal that "this is no reason for the apathetic endurance of graft that exists" and we can endorse the prediction that "graft will never be eliminated in public office until it has been driven out of private life." It is encouraging also to read in the *Pittsburg Leader* that "the grafter and corruptionist are being ousted and the doors closed and locked with locks provided by progressive reforms." And it may be good for the souls of all of us as we peruse the record of official graft to give heed to the words of warning of the *Ohio State Journal*: "Whenever a man loafa on a job, or adds an item of expense that does not belong, or makes a thing cost more than it ought to, he is a grafter."

Arranged arbitrarily in the order of their apparent gravity the graft records of American communities for approximately the past twelve months seem to be as follows:

*New York City.* The world-wide notoriety of the Becker case is justification for its mere mention in this review, giving space chiefly to the less well known but almost equally appalling disclosures which were the outgrowth of the Rosenthal murder and the death sentence imposed upon the

police lieutenant. Before the winter was over three committees, one appointed by the state legislature, one by the board of aldermen and one by an organization of citizens, together with a John Doe investigation conducted by Justice Goff on the order of Governor Dix, were busily engaged in unearthing the graft of Gotham and considering ways and means of suppressing its future growth. But the practical immediate results were secured through the activity of District Attorney Whitman and the extraordinary grand juries coöperating with him. As a result the highest police officials ever brought to bar are either serving time in the penitentiary or are facing trial as this is being written.

Aside from the conviction of Lieutenant Becker and the four gunmen, the most effective work of the district attorney was done in Harlem, the section of New York City above 106th Street between the East and Harlem Rivers, considered one of the best business and residence portions of the city. Captain Walsh, who had been in command of the 126th Street Station since April, 1907, made a complete confession implicating Dennis Sweeney, James E. Hussey, James F. Thompson and John J. Murtha, in turn inspectors in the Harlem district. These men were placed on trial in the supreme court on April 29 on the charge of conspiracy in plotting to buy the silence of a resort keeper and convicted. They still await trial on the more serious graft charges. The testimony of Captain Walsh cleared up the mathematics of the graft situation in Harlem: "I collected from saloons, gambling places and disorderly hotels. Fifteen to 20 per cent went to Eugene Fox, a patrolman who collected for me. The rest I divided with Inspectors Thompson, Hussey, Murtha and Sweeney as they took charge of the district in turn." It is estimated that by this system \$500,000 was mulcted annually from Harlem.<sup>1</sup>

In the same Harlem net the district attorney caught James F. Robinson for years Inspector Sweeney's most trusted graft collector, getting for him a six to ten-year term in Sing Sing; Geo. A. Sipp, former proprietor of a Raines law hotel in Harlem, who made a full confession after a conspiracy had been defeated to spirit him out of the court's jurisdiction; Policeman John J. Hartigan, convicted of perjury in swearing falsely for the system either through a feeling of loyalty or, as is suspected, for a cash consideration; Edward J. Newell, Sipp's former lawyer, who pleaded guilty to the charge of wilfully persuading a grand jury witness to remain out of the jurisdiction; and a number of minor police officials. And the district attorney intimates that he has just begun to fight, his objective point being the head of the "System" at headquarters.

<sup>1</sup>Before the Curran committee, Samuel H. London, from an actual census reduced to a card index form, swore that there were 26,000 women in New York City who handed over a part or most of their earnings to men connected with the "business."

In his prosecutions, District Attorney Whitman was greatly assisted by women who had run disorderly resorts in the city for years. Their apparently truthful evidence concerning the amount of money the police had wrung from the fallen sisterhood was even more shocking than the revelations of the Becker trial.

Omitting numerous minor charges, dismissals and convictions in aldermanic, fire and police circles during New York's 1912-13 campaign against graft, the unhappy condition of the metropolis in high and low places will perhaps become sufficiently evident through the mention in conclusion of the conviction of Charles H. Hyde, formerly city chamberlain, and one time law partner of Mayor Gaynor, for bribery in connection with the performance of his official duties.

Says Rabbi Lipkind:

However, amid these disconcerting revelations there are one or two compensatory features that show a healthy complexion, that give promise of some amelioration for the future, and one is this: The general and persistent movement toward exhaustive investigation of present conditions, for probing to the root of the evils that surround us. There seems to be an impatience with abuses that until now were considered permanent and ineradicable characteristics of America.

*Chicago.* In Chicago the air has been filled for the past year with charges of big and petty graft, bribery and various forms of political corruption but no such developments have resulted as in the city of New York. For a time, however, the testimony of Michael Heitler, known as "Mike de Pike," promised material for another Rosenthal case. Heitler laid bare the alleged politico-police graft in the old westside levee, charging Barney Grogan, saloonkeeper and west side Democratic boss with being the head of the graft syndicate of which he (Heitler) was one of the collecting arms. But Heitler is still alive and Grogan still a tower of political strength.

Equally ineffective was the attempt to involve John I. Tansey, a Roger Sullivan henchman, who was acquitted by the county civil service commission over the protest of the president of the charge of having extorted a bribe of \$300 in return for which he was to see that a certain name was placed at the top of the list.

Charges of graft in connection with the purchase of property for the county hospital site and other irregularities on the county board were freely made but it is difficult to tell whether official dishonesty or political rancor is mostly responsible for these charges.

Chicago has been giving much attention during the past year to the question of segregation with special reference to conditions on the south side. Public opinion seemed to favor the wiping out of the disorderly resorts and a series of spectacular raids under the direction of Prosecuting Attorney Wayman followed. The public conscience having been thus sat-

isfied, a sufficient number of resorts later opened up quietly in less offensive forms.

The activities of the organization known as the "United Police" were investigated by the civil service commission beginning in the latter part of December. On the 21st of January the commission reported that the United Police had raised a "slush" fund of \$60,000 for the purpose of bribing the state legislature and city council but had failed in its purpose. The discredited organization thereupon disbanded and the commission issued a strong recommendation against permitting prospective successors and ordered embezzlement charges to be filed against William J. Stine, former president of the United Police and unfaithful custodian of the \$60,000 "slush" fund.

A large number of cases of petty but very annoying graft have been charged during the year against the building and smoke inspectors and a few convictions have been secured. These conditions led Mayor Harrison to appeal to the public for aid in stamping out petty grafting by city inspectors.

The graft situation developed by the local authorities and the vice investigation conducted by the senatorial welfare commission were doubtless the inspiration for the resolution offered in the state legislature by Representative Frank J. Ryan for a joint legislative investigation of the relation of public service corporations with the legislative bodies and public officials of Chicago and Cook County.<sup>2</sup>

*Philadelphia.* Henry Clay, director of public safety under Mayor Reyburn for four years ending December, 1911, and Colonel John R. Wiggins and Willard H. Wall, heads of the Wiggins Construction Company, building contractors, were convicted of conspiracy to defraud the city of Philadelphia in the alteration and erection of public buildings. On April 2 they were sentenced to serve not less than eighteen months nor more than two years in the penitentiary and to pay a fine of \$500 each. Suits have been begun by the city against the Wiggins Construction Company to compel it to refund \$150,000 which it is alleged to have fraudulently collected from the city.

*Atlantic City.* Of the nine councilmen involved in the attempted million dollar concrete boardwalk swindle, three were acquitted, four confessed their guilt and two, Harry F. Dougherty and John W. Murtland, were convicted in December and sentenced to terms in the penitentiary ranging from one to three years. Dougherty was convicted on dictographic

<sup>2</sup>Representative Ryan in an interview said: "The system, backed up by such public utilities corporations as the Peoples' Gas, the Commonwealth, Edison and Chicago Traction Companies, has dominated certain newspapers, corrupted public departments, public officials, city councils and legislators too long."

evidence secured by Detective Burns. Fines of \$1000 and costs of the prosecution were also imposed on each defendant.

*Detroit.* The arraignment in September, 1912, of seventeen Detroit aldermen and former Council Committee Clerk Edward R. Schreiter, for accepting bribes in return for municipal favors provided one of the most discussed graft sensations of the year. Schreiter confessed, the cases of seven of the councilmen were dismissed and the remaining ten were bound over and are still awaiting trial.

*Clinton, Iowa.* Thirty-one indictments were returned against three county officials, two former officials and three contractors and supply men, sharers in graft in the construction of bridges and other county work. As a result of the exposures, two supervisors were forced to resign and \$23,000 has been refunded to the county.

*West Hammond, Ind.* Miss Virginia Brooks continued her campaign of the previous year against vice and graft in West Hammond. During the summer and fall of 1912 many sensational reports came from this quarter, at one time the county, state and federal governments all conducting investigations there. This spring Miss Brooks announced that the little city had become a model in clean government and morality.

*Gary, Ind.* Former city clerk, Harry Moose, whose disappearance in the spring of 1912 brought the bribery cases against Mayor Thos. E. Knotts, aldermen and former city officials of Gary, to a sudden conclusion, returned in November and was convicted and sentenced to a prison term. As a consequence of this trial an investigation of the official doings of Mayor Knotts was begun by the state board of accounts. On March 29 the board reported to Governor Ralston serious shortages of Knotts making him liable to criminal prosecutions. The specific charge of the board is the illegal retention of fees, fines and other moneys by Knotts acting in the capacity of police judge at the same time he was drawing a salary of \$1500 as mayor.

*Milwaukee and Des Moines.* Charges of receiving double pay have also been made in Milwaukee and Des Moines but without any serious developments. In Milwaukee the Socialists charged the city clerk's staff with illegally drawing two salaries from the city through receiving pay for night work on the city tax roll; in Des Moines the board of supervisors began in January an investigation of the cost of probing criminal cases brought before the grand jury, the principal charge being that police officers of the city also received compensation for appearing before the grand jury.

*Bloomsburgh, Pa.* An unusual case of grafting was presented to a commission for trial by the district attorney at Bloomsburgh. Three judges were accused of accepting bribes for liquor licenses but the men involved were all associate or lay judges and not regular or law judges of the court.

In a few counties of Pennsylvania the old system of electing laymen to sit as associates on the bench with the law judges is still preserved.

*Atlanta, Cleveland, Columbus, Dayton, Denver, East St. Louis, Portland, Providence, San Francisco, Seattle, St. Louis.* In the remaining larger cities of the country graft developments have not been serious. The rumors and charges in some cases were weighty enough, but they have not as yet been followed up with adequate proof that has come to the writer's attention.

In Atlanta the smoke commission has investigated serious charges of bribery against the "smokeless" furnace interests alleged to be seeking special privileges. In Cleveland the padding of city payrolls has been charged. Columbus has investigated alleged graft in connection with city contracts for asphalt pavements. Dayton acquired much newspaper advertising through a Burns investigation with dictograph accompaniment and grand jury probe. Denver has led the list with grand jury indictments of city officials and corporate heads but there has been thus far a lack of developments promised by the initial proceedings.<sup>3</sup> In East St. Louis charges were made by M. M. Stephens, former mayor and member of the City Protective Association, that the lawless element paid \$3000 to \$5000 a month for protection and that an assessment of \$15,000 for a campaign fund was levied on the "bad lands." Providence has wrestled with the question of graft in its highway department. San Francisco has brought to light but one case of embezzlement, due to faults in the check system recently put into effect in the city administration.<sup>4</sup> Seattle has discovered corroborative evidence tending to show that, as suspected by the council, the city has been regularly swindled under the garbage collection contract. St. Louis has indulged in charges of grafting against workhouse officials and the plumbing department, with counter charges of "frame-up" on the part of the accused, all without definite result so far as heard.

<sup>3</sup>The latest from Denver is the charge made by Sheriff Daniel M. Sullivan that nearly every policeman in Denver collects regular tribute from women with the knowledge of higher public officials. The vice district in Denver was closed recently by order of the fire and police board. Since that time, according to the sheriff, practically all the former denizens of the underworld have moved into the residence section of the city, where cadet practices are thriving unmolested. The sheriff's charges are under investigation by the grand jury.

<sup>4</sup>A much more serious condition has just developed in San Francisco in the matter of the alleged relations of police officers with a gang of confidence men in the city's Italian quarter. Eight police officers were suspended by Chief of Police White pending the investigation by the commission of the charges of collusion made by convicted bunco men. The police commission later postponed its hearing until after the trial of the accused officers in the superior court, which is now progressing. The guardians of the law are charged with having received a 15 per cent "rake-off" from a gang of confidence men who secured \$300,000 in one year from San Francisco's foreign population.

Five additional policemen are involved by the immigration authorities in charges of protecting women held as undesirables for transportation.

## MINOR CASES

*Bloomington, Ill.* True bills filed against mayor and chief of police alleging omission of duty and malfeasance in office.

*Canton, O.* Chief of Police Smith suspended by order of mayor and charges investigated that vice league exists among dive keepers to permit gambling, cock fighting and Sunday saloons.

*Darke County, O.* Court house officials sentenced for collecting fraudulent bills.

*Elkhart, Ind.* Chief of police and assistant resigned while under investigation on charges of grafting in office.

*Evanston, Ill.* Investigation of charge of grafting made by "blind pig" operator against alderman.

*Keokuk, Iowa.* Chief of police dismissed after having been under fire for several months.

*McComb, Ill.* City weigher ousted, charged with padding weights of coal and pocketing proceeds.

*Marinette, Wis.* Grand jury indicted sheriff for accepting money for protection of gambling house.

*Montgomery, Ala.* Discrepancies in accounts of state convict department investigated and found not so large as at first thought.

*Muncie, Ind.* Affairs of the police department investigated. No official statement.

*Newport, Ky.* Henry Reusch, former delinquent tax collector, pleaded guilty of embezzling \$14,000 of city funds and sentenced to a term of two to ten years in the penitentiary.

*Niagara Falls.* Supervisors Joseph Percy and Clifford H. Bowman convicted of having tried to bribe supervisors to vote for favored poor house architect and sentenced to terms in penitentiary.

*West Seneca, N. Y.* Grand jury investigated alleged charity sewer graft with special reference to statements made by Henry Lunn, convicted former chairman of town board.

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## RECENT INTERESTING DEVELOPMENTS IN BERLIN

THE phenomenal increase in the number of foreign visitors to Berlin within the last fifteen years has resulted in making that city as interesting to travelers now as it has been for years to students of city government. The visitor to the capital of Prussia and of the

<sup>5</sup>Lawrence College, Appleton, Wis. See article on "Recent Graft Exposures and Prosecutions" by the same author, NATIONAL MUNICIPAL REVIEW, vol. i, p. 672.