

MUNICIPAL REFORM A SCIENTIFIC QUESTION

A GENERAL OUTLINE

OF

REPORTS ON NEW YORK CITY'S DEPARTMENT
OF FINANCE IN ITS WORKING RELATION
WITH THE MUNICIPAL SYSTEM

FRANKLIN FORD

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Publications of the City News Office

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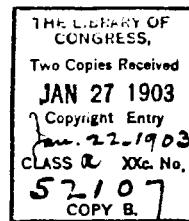
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A GENERAL OUTLINE OF REPORTS ON NEW YORK CITY'S DEPARTMENT OF FINANCE IN ITS WORKING RELATION WITH THE MUNICIPAL SYSTEM.

PUBLICATIONS OF THE CITY NEWS OFFICE

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A GENERAL OUTLINE OF REPORTS ON NEW YORK CITY'S DEPARTMENT OF FINANCE IN ITS WORKING RELATION WITH THE MUNICIPAL SYSTEM.

1. *History of the Department of Finance*—Its development during the four years under Comptroller Coler—Progress to an all-round legal position as center of audit and control—The growth of a century.

New York city's annual budget is \$100,000,000, in round numbers, and its extraordinary expenditures forty millions more. The city government centers round the Finance Department. Charged by statute with the "control of the fiscal concerns of the corporation," its function is to supervise the city accounting, and in this way regulate the conduct of every official. The powers of the Comptroller as chief of the department are so sweeping that his action touches every phase of the city's business. Facts rule, and the Finance Department is fountain-head for the facts that shape on every side the city's administrative policy.

Ancient precedents define the comptroller as "an officer who has the inspection, examination, and controlling of the accounts of other officers." He is the "keeper of the counter-roll, i. e., a roll intended as a check upon the rolls or accounts of other officers."

New York's Finance Department is a law story from the start. It is a progress toward full legal authority for the "inspection and revision" of all city accounting by the Comptroller, and, in step with an increasing need owing to the greater complexity, the conditions have at last appeared for realizing the idea in practice.

The tendency has been constant to bring the city government to unity of organization through the Finance Department.

2. *Function and organization of the Department of Finance*—It is the department of departments—It is now the clearing-house or governing center for all departments of the city government—It has the power to organize the facts—Its several divisions and the duties of each—Working relation with the other departments—Chart of the municipal system with the Comptroller's office as main center—Annual cost of the Finance Department.

3. *Bookkeeping Division*—It is the record office of the Finance Department and the real Bureau of Municipal Statistics—Development of statistical accounting by the bookkeeping division, in

distinction from the financial accounts—The end in statistical accounting is to make available at all times everything in the Comptroller's record, which includes the records of all other departments—The Bureau of Statistics cannot organize outside of this record—The full organization of statistical accounting carries with it exact supervision of all department accounts.

Beginning in 1901 under Comptroller Coler, and especially since January 1, 1902, under Comptroller Grout, the bookkeeping division of the Finance Department has been moving forward on the lines of statistical accounting. This form of accounting has always had a place in the Finance Department, inasmuch as the issuing of annual reports or other public documents by the Comptroller is an effort in that direction. It is true that under old conditions such reports were hardly more than transcripts of the financial accounts and, therefore, had little or no meaning for any one beyond the bookkeepers themselves; but the fact remains that all reports of this order have been attempts at statistical accounting.

A difference in the cost of two bridges may be used to illustrate the place of statistical accounting. One may cost two million dollars more than the other. The financial accounts reveal this, but to know the cause of the greater cost of the one a development in statistical accounting is necessary. The required facts are contained in the vouchers and the need is to render them available. The statistical is the primary accounting.

Until now each city official has been compelled to hunt his own information. No effective administrative machine of like order and magnitude in these days is without a system of statistical pre-accounting. Division of labor at this point is everywhere prevailing and the municipality must fall into line.

It is important to learn just how far the principle of uniformity can be followed in the city's bookkeeping; or, what is the same thing, how far disparity in bookkeeping is inherent in city administration. The business of street cleaning differs greatly from that of the water department.

4. *Division of Awards*—The accounting office for all claims against the city due to street openings, the taking of land for parks, for school houses, police stations, armories, fire houses, baths, or other public buildings, for bridge approaches, etc.—Awards are received from the board of assessors, from the courts, and at times from change-of-grade damage commissioners—On their receipt all verifications are made, including searches to see that no liens of any sort are standing against the property, after

which the vouchers are made out and turned over to the auditing bureau for certification and return to the awards room for final payment—The division of awards acts as its own disbursing officer—It is in direct contact with the owners of the properties involved—The total money outgo under the head of awards for 1900 and 1901 was as follows:

	1900.	1901.
Street and park openings.....	\$5,152,443.43	\$4,960,483.75
Miscellaneous	3,755,668.87	5,998,101.14
	<hr/>	<hr/>
	\$8,908,112.30	\$10,958,584.89

—The cost of street openings is borne by the abutting property, unless by special act some portion of the cost is charged against the city.

5. *Auditing of the City's Revenues*—The Comptroller's annual report for 1901 presents the results of a careful examination into all sources of city revenue—The work was done by the bookkeeping division—It marks a clear advance in statistical accounting—It provides a comprehensive basis for auditing the city's revenues, which was long a neglected feature of the Finance Department—Nearly all departments, to a greater or less extent, are receivers of city revenue.

The present city charter directs that the auditing bureau of the Finance Department "shall keep an account of each claim" both "for and against the corporation," thus pointing to a scrutiny of both revenue and expenditure. From the beginning the auditing bureau has investigated and certified all accounts against the city, but a like vigilance did not obtain with reference to the city's revenues. Successive New York charters contained directions as to an audit of revenue; the charter of 1870 expressly provided for an "auditor of revenue," and for a time an officer of the Finance Department bore that title, but the early conditions were not such as to compel execution of the idea—the need was not sufficiently urgent. A radical change has now come in, and the introduction of an absolute audit of revenue is seen to be a necessity. The work of disclosing all sources of revenue through the bookkeeping division was the first step. In the last twenty-five years the revenues of the old city of New York from miscellaneous sources, outside of taxes and water rates, have doubled, while further increases of revenue have resulted from the consolidation of 1898, as each of the boroughs had its specific sources of revenue.

6. *Management of the City Debt*—The forms and methods of the old city of New York in relation to debt handling were extended to the enlarged city without change, save the great increase in volume and detail—Bonds were issued by New York city in 1900 to the amount of \$85,000,000, and comprising \$38,000,000 of long time bonds, \$46,000,000 of revenue bonds, and \$1,000,000 of assessment bonds—Revenue bonds in anticipation of taxes are issued as money is needed from soon after January 1 to near the first of October—The lowest rate of interest paid by the city of New York was two and one-half per cent. in the early '90's—During 1900 the Sinking Fund Commission purchased \$17,500,000 of the new bond issues—It is customary with the commissioners to confine their investments to new issues of New York city bonds, as new bonds of the city are constantly offering—Extent to which debt was taken over from the outlying boroughs—The methods of the Finance Department in managing the city debt turn, of course, on the policy of the city in the use of its credit.

The use of revenue bonds is a striking feature of the city's financial system. Under the charter the Comptroller is authorized to borrow "from time to time, on the credit of the corporation, in anticipation of its revenues, and not to exceed the amount of such revenues, such sums as may be necessary to meet expenditures under the appropriations for each current year." The method is of long standing as a custom of the old city of New York. It has had gradual extension in the form of "special revenue bonds" to provide emergency funds and the like, until now the charter enumerates nine purposes for which such special revenue bonds may be issued. It appears that under the law the city's first resort for funds is the loan market, in advance of taxation.

7. *Care of the City's Vouchers*—One great part of a city's history is contained in its accumulation of treasury vouchers—The vouchers of the old city of New York have been preserved from the beginning and all are at ready command for reference—The oldest date of the New York vouchers is 1679—City of Brooklyn vouchers do not exist for dates prior to 1855, the previous accumulation having been destroyed—The voucher rooms of the Comptroller's office contain the vouchers for the current year and for the two previous years—Manhattan vouchers as far back as 1885 are kept in the basement of the Stewart building, while the old-time vouchers are filed on the fourth floor of No. 296 Broadway.

8. *Development of the Auditing Bureau in the Department of Finance*—Its classification and the duties of each division—Importance of an absolute audit as means to compelling right conduct in city affairs—When the central accounting is given the last exactness the discipline reaches every department—The city is affected as a whole—Present efficiency of the auditing bureau—Time required for passing vouchers through the bureau as compared with former years—Cost of the auditing bureau's work—Comparisons, both as to efficiency and cost, with the auditing offices of the great corporations.

In 1802, when the office was first created for the city of New York, the Comptroller was directed by ordinance to add to his audit, when necessary, "a statement of facts." In 1903, as in 1802, the pursuit and mastery of the fact is the main business of the Finance Department. The added functions of the Comptroller have all developed out of the auditing power. He is now a legislator through his membership in the Board of Estimate and Apportionment, an administrator through his connection with the Sinking Fund Commission and other official bodies, and the city's agent in negotiating loans. All these duties go to emphasize the primary necessity of his being constantly in command of the facts.

9. *Law and Adjustment Division of the Auditing Bureau*—It acts under the section of the charter which empowers the Comptroller to "settle and adjust all claims in favor of or against the corporation"—It is a connecting link between the Comptroller's office and the city's legal department, as its findings enable the corporation counsel to act in the light—Importance of its work—Character and range of the claims submitted to it—Effect of the work of the law and adjustment division on the volume of municipal litigation.

10. *Investigations Division of the Auditing Bureau*—It inquires into the justness of claims which, in point of complexity, are beyond the scope of the auditor's examiners and inspectors, and yet cannot be assigned at once to the law and adjustment division—The investigations division conducts special inquiries for the Comptroller, which are directly related to the needs of the auditing bureau.

11. *Examiners of Accounts of Institutions*—This division of the auditing bureau checks the accounts of all charities and hospitals which receive city money—A reporting and recording system

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has been introduced to compel strict accounting on the part of the institutions affected—The city appropriates nearly \$3,000,000 annually toward the support of about 140 charities and hospitals—The money is paid over in monthly parts, according to the amount of work done by each institution, and all claims are verified at the Finance Department—The stricter accounting illustrates the more exact methods which the enlarged city made necessary—It involves a rigid examination of lists in detail, books, vouchers, and accounts, including all records for facts as to population and expenditure.

12. *The Municipal Civil Service Commission a Factor in the Comptroller's Audit*—This is due to its work in checking payrolls—With some exceptions, city payrolls are examined and certified by the commission—The names of employees are verified there.
13. *Receiver of Taxes, a Bureau in the Comptroller's Office*—Cost of collection, giving comparisons with previous years—The busy period of the tax receiver's office is from the first Monday in October, when all real estate and personal property taxes are payable—On January 15 such personal property taxes for the current year as have not been paid to the tax receiver are turned over for collection to a city marshal, whose office is in the tax receiver's bureau—The marshal receives his appointment from the Mayor, while his warrants for enforcing collection are issued, in the first instance, by the tax receiver—By a gradual process the marshal turns over unsatisfied personal property taxes to a bureau in the corporation counsel's office—Importance of a searching inquiry into the business of collecting arrears of personal taxes—The personal property tax in Manhattan for 1899 was \$11,845,000 and on January 15, 1900, the tax receiver turned over to the city marshal, as the uncollected portion of said tax, \$4,909,000—Arrears of water rates are turned over to the receiver of taxes for collection at the end of the first year—In the third year they go to the bureau for the collection of assessments and arrears.
14. *Collection of Assessments and Arrears*—This bureau in the Finance Department collects the arrears of all taxes on real estate, all assessments for benefits on account of street openings, paving, sewerage, and all local improvements, including the taking of lands for parks and public purposes generally, and the arrears of water rates—About \$25,000,000 of claims are constantly on the books of the collector of assessments and arrears, while the annual receipts of the office have been about \$12,500,000—Improve-

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ments in the Borough of the Bronx have added greatly to current business.

The cost of opening, sewerage, widening, and the paving of the city's streets presents an important subject of inquiry. The cost falls on the assessment district affected and, being a burden only on a comparatively small body of citizens, does not awaken the general interest as the other expenditures do.

15. *Bureau for the Collection of City Revenue and of Markets*—This division of the Finance Department collects the railroad fees due the city, including franchise percentages and car license fees, the revenue accruing from rents and interest on bonds and mortgages, revenue arising from the use or sale of property belonging to the city or managed by it, and the charges for the use of stalls or stands in the city's markets—It collected on these accounts in 1900 \$1,076,871—The market rents for the year were \$315,473, the house and ground rents \$116,089, the car fees \$73,640, and the receipts on account of railroad franchises \$479,454—The car licenses in Manhattan Borough are \$50 per car per annum (with the exception of the Ninth Avenue road, which pays \$20), and in Brooklyn an average of \$20 per car per annum—The allowance in the budget of 1901 for the year's expenditures of the bureau of city revenue was \$26,050.
16. *The City's Disbursing System*—All city payments are passed through the Comptroller's disbursing room—Salaries of heads of departments, salaries of judges, moneys due on contracts, and all supply bills are paid directly from the disbursing room—All payrolls pass through it and are paid by warrant to the order of the city paymaster, who makes the detailed distribution to salaried subordinates and the city's day laborers—Almost all payments, save to daily wage receivers, are made by check—More systematic accounting has enabled the disbursing officer to facilitate payments and so meet the public convenience, while securing at the same time increased safety.
17. *Work of the Paymaster's Office*—The methods which had obtained in the paymaster's office of the old city of New York were extended and applied to the enlarged city—All per diem laborers are paid weekly and the amounts due are put into the hands of each man in the locality where he is employed—To effect this the paymaster sends his clerks to all parts of the city—Increased cost of the weekly payments as compared with the old-time bi-weekly method—About 20,000 day laborers are on the city rolls, or

one-half the civil list—The work of the paymaster's office is completely centralized, which aids in securing the utmost of safety, economy, and facility.

18. *City Chamberlain*—The chamberlain is the city and county treasurer—In early ordinances the title of chamberlain was used interchangeably for that of treasurer—Prior to the creation of the comptroller's office in 1802 in the old city of New York the comptroller's duties fell to committees of the Common Council—the chamberlain is appointed by the Mayor—Extent of the chamberlain's power under existing statutes—The chamberlain is clothed with power through his membership in the Sinking Fund Commission and he has a vote in disposing of the city's bank deposits—His signature is required on all city warrants—The chamberlain's salary is fixed by law and all fees collected by him are turned into the city treasury—Checks upon the conduct of the chamberlain—Section 195 of the charter directs that the chamberlain's books shall be examined by the commissioners of accounts.

19. *Municipal Development at New York and the Place of the Finance Department therein*—Municipal reform a scientific question—To effect any reform in government is to extend the organization of science—Through the acquiring of full legal authority of inquiry and audit by the Finance Department New York has now a centralized government—Until there is one center which can be held responsible for the possession of knowledge concerning all phases of city business, the government cannot be called organized in any adequate sense—This center at New York is the Finance Department—Power is now lodged with the Comptroller to organize the facts—Through his office all the facts may be known and the city government brought to a working unity—Need of an enlarged and authoritative publicity and the way to secure it—The Department of Finance is primary in the publicity development.

The idea of an official Bureau of Municipal Statistics, at which an attempt was made in 1898, can only be realized through the Department of Finance, which is the established clearing-house for the facts. The information must be organized by the officers who are responsible for the record; that is, by those who are acting on the facts. The work of the official bureau, to be up to date, must tally with the daily action, and it is only in the Comptroller's office, where the diurnal record of the city's business is kept, that such a bureau is possible. Anything short of this belongs to the empirical.

As indicated above, the development is already taking place in the bookkeeping division of the Finance Department. The key is statistical accounting. Its full organization will make of the Finance Department in all respects the keeper of the counter-roll. Which means the inspection, examination, and control of the accounts of all city departments and officers. We are now able to understand the meaning of the word *control* as used in the statute. It is the control of the facts.

All the facts will always control the action. The Finance Department is the common center through which the knowledge of city business gains expression. Through its command of the facts the Comptroller's office has a new recognition in the public mind; it stands at last for the whole municipal organization. The Finance Department at least has a new charter. A clear field is presented for compelling integrity in all departments of the municipal system.

The new and unprecedented authority with which the Finance Department is clothed amounts to the coming on earth of a new idea. The Comptroller's office is at last seen in all its manifold meaning as the center of municipal regulation. It has now attained to complete freedom of action. It has power to stop the facts for examination and entry on the record, and to bar all unauthorized action. This is accomplished by the laws which compel all transactions to be legalized through registration at the Comptroller's office. The progress to all this has been through a natural, irresistible development.

The power of the Finance Department to furnish wise direction for the conduct of city affairs is just in proportion to its co-ordination of the facts. The larger authority of the Comptroller strikes down below the surface alterations of the hour and presents the real change in the city government which took effect January 1, 1902. The next step is to realize the new position in action by organizing and making available the facts contained in the records of the Finance Department and of all other departments. The new power will not help unless the principle is carried into practice by mastering and applying the facts to the whole problem of municipal regulation. To know the way, and to do the proper thing at the proper time, the Comptroller must possess the governing facts.

The necessity is to so centralize information that the actual knowledge of each city official, in all departments, will be at the service of everybody. The entire record will become available as means to furthering the common interest. A final departure having been made from the personal system of the past, under

which one official was supposed to hold in memory the entire record, no stop is possible until a perfectly articulated machine is reached, whose efficiency will be so great as to guarantee its own integrity. All this has become a necessity, because of the fact that the personal energies of the Comptroller are now fairly absorbed in his duties as legislator in shaping the general administrative policy of the city through his membership in the Board of Estimate and Apportionment.

There is no other course, no gateway, to municipal reform at New York that will be at all comprehensive, which does not involve absolute organization of the Department of Finance. The division of statistical accounting therein will be a public information bureau accessible to all citizens. It will be dominated by the spirit of science, which is a guarantee of continuing benefits. Municipal betterment cannot be effected from the outside by means of popular agitation; it must be gained through an advance in scientific organization within the establishment.

Statistical accounting has now to be carried into municipal organization for the same reasons that are compelling it in the case of the great corporate aggregations or Trusts, i. e., because of the greater sweep and complexity of the action. Greater New York may, in fact, be regarded as a municipal Trust. The Trust movement in commerce cannot be understood without seeing it as a progress in accounting.

Full statistical accounting will bring the Finance Department into close touch with each of the city departments, amounting to a direct clearing of facts therewith. Under early conditions the theory of the Finance Department as center of regulation and control could not be realized in practice. There was very little of inquiry and inspection in the early auditing; it was enough to know that vouchers were regular or according to statute.

The need of building up the function of the Finance Department as main accounting center is in proportion to the growth in power of executive officers. The real city legislature, the Board of Estimate and Apportionment, is a group of executive officers. At the middle of the century the aim was to deprive aldermen and other local legislators of all executive duties.

The new position of the Finance Department is one with modern communication through the telephone and rapid transit, which places every part of the city and all the facts within easy reach. Moreover, the advance in legal position and the fact of instantaneous communication must be read together, as the latter has prompted the former.

Reform in city government must follow the lines of more systematic accounting and scientific publicity. The only thing to be relied upon is the continuity of science, and its infinite organization in space and time.

The organization of the facts of the municipal system is one with ordering its activities on the basis of the highest economy and efficiency. Maladministration and waste cannot be discovered without organizing municipal intelligence as a whole. It is only by going after all the facts that leaks and abuses can be discovered and the narrow interest defeated.

In the municipal field, as in the general commerce, improved administration is always a question of scientific method. It is important to get this truth into the public consciousness. Popular agitation in relation to the choice of elective officers has its place, but the prime necessity is to gain acceptance for the fact, as already put down, that municipal reform is a scientific question.

Self-interest, in the ordinary acceptation of the term, does not protect the integrity of municipal administration; that is, it does not operate in the same immediate way as in the affairs of an individual or of a firm. The scientific interest has to be let in through a development in accounting to take the place of the ordinary safeguards.

The rise of professional accounting is a factor in the advance. The accountant stands for the scientific interest; his work begins and ends with the fact. It belongs to him to organize municipal information.

Full statistical accounting in the Finance Department will be a measure of economy, as a great deal of time which is wasted in the vain pursuit of fact by individuals would be saved. Each official, under complete organization, will apply for information to the division of statistical accounting. All related legal knowledge, so essential to general officers and to the auditing bureau, would become available.

The auditing bureau stands in special need of statistical accounting. The record of prices and of all departmental action has to be perfected to enable the auditors to act in the light. All action centers in the city's pocketbook, and the auditors are its guardians.

Through statistical accounting, the public reports of the Finance Department will be freed from technicality. Up to this time the customary annual reports of municipalities have been practically meaningless to the general public. With New York's

reports made clear and systematic, all cities will have models to follow.

The determination of standards of efficiency in municipal service is an important matter which will be effected by the development in statistical accounting.

The division of statistical accounting in the Finance Department must be far more than a surface compilation of official figures; it must be a living, moving force that grows and changes every hour. It must itself become a public idea. It involves a continuous clearing of information between the Comptroller's office and the departments on the basis of the actual facts of municipal expenditures as contained in the vouchers. Each of the city departments is a bureau of information on its own account.

There must be constantly at command in the Finance Department exact knowledge of each transaction—the supplies furnished and all services to the city, along with the money paid therefor—in addition to the customary financial accounting. The financial accounting is not enough; it guards against improper payments, but does not yield readily the information which must be at the service of the Comptroller's officers, the public press, and citizens generally, if friction is to be lessened to easy working. The bookkeeper's point of view and that of the seeker after statistical information are quite different in scope.

The facts from the departments on the basis of the vouchers will tally with the statistical accounting at the Comptroller's office, and in turn with the financial accounting. Heads of departments cannot but be in accord with the development and will gladly co-operate in carrying it out. It will guarantee publicity for all the facts and so compel adherence to business principles, while it will insure recognition for official integrity.

The advance in statistical accounting in the Finance Department, taken with the continuous clearing of information by all departments, will compel a full and exact classification of city expenditures. The movement of city business will thus be grasped in its totality.

This discovery of the Comptroller's office—its great function and the lines of its development—identifies municipal reform once for all. The word organization, as used in the field of government, gets a new and appropriate meaning. In the first instance, it looks to the collection and co-ordination of the facts, and proposes organs to this end.

A new Department of Finance is revealed. Through all the years the Comptroller's office had been crippled in its power to

audit the supply bills of departments, and for the last quarter of a century its authority to adjust and compromise claims was in dispute, while the power of departments to create obligations independently of the Board of Estimate and Apportionment prevented registration of the fact by the Comptroller. In wonderful contrast, the Finance Department has now attained to the amplest legal authority; it has "control of the fiscal concerns of the corporation."

The present position of New York's Finance Department is unique. There is no other such development. It is a true advance in government. It points to municipal reform in fact, and is an example for the direction of other cities. The Finance Department appears as the organ of the fact in the City-State. The way is opened for a great forward step in administrative organization; it is epoch-making in the history of local government.

BUT IT IS ONLY IN ACTION THAT THE NEW POSITION CAN BE REALIZED. THE CONDUCT OF NEW YORK'S MUNICIPAL BUSINESS MUST REMAIN INEFFECTIVE UNTIL ITS INTELLIGENCE IS SYSTEMATIZED AND SUBJECT TO THE COMMAND OF EVERYBODY.

20. *City News Office*—The new outlook for the Department of Finance implies and compels a new and authoritative center in the local news system—This necessity has precipitated a movement for connecting up the whole city—The advanced position of the Comptroller's office demands direct connection with a technical and responsible news center, since organization of municipal knowledge involves the closest co-operation with the news system—The new center will connect with the Department of Finance at the very point of the latter's development—The reporters of the news center will work directly with the officials of the Finance Department, and the reports of both will be equally trustworthy or official—The experts of the news center will co-operate in the organization of statistical accounting by systematizing and interpreting the information of the various municipal departments.

This new center in the local news system is the City News Office. Its work up to this time has been to lay the foundation for the action in hand, as indicated by this General Outline of Reports. As a co-operative movement in news organization, measured by the necessities of the time, the City News Office development corresponds in great degree with the rise of the New York Associated Press in 1856.

The municipal reform question at New York is not primarily a matter of statistics or detailed information, nor has the notion of framing an ideal system of accounting, whose adoption would be compelled by the legislature, any place in the problem. Its solution turns upon the power to detect the development of functions and to determine their working relation. In due course the Department of Finance has attained to an all-round legal position which makes it the absolute center in the municipal accounting system. This, in turn, has compelled a new and technical news center which will make intelligent demands on the Comptroller's office. The function of the local news center, in relation to the conduct of municipal affairs, is co-ordinate with that of the Department of Finance.

In the conduct of city business the action of the Department of Finance, of the Mayor, or the Board of Estimate and Apportionment, frequently turns upon facts outside of the Comptroller's record, which belong to commercial and general knowledge. The City News Office will organize inquiry in order that all such knowledge may be at the service of the municipal officers whenever required.

Municipal organization cannot be radically improved independently of a distinct development in the news business. Moreover, it is true generally that the further progress of science in the organization of commerce, and therefore in the field of government and social reform, is waiting on its advent and control in the publishing business, which touches everything.

The writers on the municipal question have not seen in its true perspective the growing function of the daily newspaper in the field of government. A surprising change has now fully appeared in the attitude of the daily press toward city government matters. One could hardly learn from the papers in the early years of the last century that such a thing as city government existed, while today hardly anything in the range of city business is neglected by the newspapers. The newspaper has come to be omnipresent; it enters each day every household in the city; it is the daily book of the people. Because of this the developing Finance Department must have systematic connection with the news system.

The next step is to bring order into this branch of reporting. The City News Office will organize a body of experts for reporting city business, as the daily newspaper has already done in the field of sporting news. Municipal affairs should be reported with the same certainty and celerity as a ball game, a yacht race, or a prize fight. Customary reporting of municipal news lacks point and completeness—much as though the report of a baseball con-

test were to stop short of giving the score. The same influences which have led up to a reform in the methods of the Finance Department point to a corresponding advance in the handling of municipal news by the daily press.

The correct reporting of various important phases of the city's life involves a technical knowledge of the municipal government—its administrative methods, its underlying and controlling ideas. The reporting of crime news, if it is to be in any way systematic and beneficial, compels a comprehensive knowledge of the criminal code. The efficiency of the city's firemen may be affected adversely by an unscientific organization of the fire department. The adequate reporting of a leak in a water main calls for knowledge of the latest engineering devices for detecting water waste. The great business of teaching the youth of New York in the city's school system is practically unreported by the daily press. It cannot be accomplished save by reporters who are able to weigh and determine the value of the ideas which shape and govern the prevailing methods of instruction.

Reports of the City News Office will at all times tally with the official record, and will in each instance further the needs of the Department of Finance.

An important feature in the work of the auditing bureau of the Finance Department, when dealing with the supply bills of departments, is the determination of just prices. When the auditing bureau subscribes to a trade or class paper, or receives a price-list, it thereby connects through the news system with the world of commerce. The need indicated will be met by the City News Office, as through it the auditing bureau will be able to connect instantly with expert authority touching the price of this or that commodity at a given date. Trustworthy news organization is implied in the power of the Comptroller to inquire into the correctness of prices. The proposal assumes that prices are determinable, that they are a matter of public knowledge, and the facts must be obtained from the news system. In fact, when an audit was first conceived the organization of intelligence was begun.

As advances in communication gradually gave rise to integrity in mail carrying, so now the journalist is prompted to organize the news of the municipality, and of the whole city, in the light of science. The facts of the metropolis may now be reported on the basis of truth.

The City News Office will act as a common center for the gathering and dissemination of all information having a direct bearing on the regulation of city affairs, doing in this respect what the Ship News Office at the Battery does in its field, and with equal

precision. It will bring the municipal facts of Chicago, London, and Berlin side by side with those of New York. At the same time, the facts of New York's government will become accessible to the world, and the natural demand for authentic news in this field will be supplied.

It will seek out and connect the numerous bureaus of information doing business in the metropolis, thus providing a common trading center through which they can be made public and the interests of each developed. As things stand, the local news system is in much the same condition that the telephone system would be in were it without a main center through which all connections are made available. The corresponding center in the news system will be supplied by the City News Office, which can advertise all information centers in a single announcement.

The first business of the City News Office is with the municipal system, but to complete this relation it must of necessity become a universal information bureau concerning every interest within the limits of Greater New York, as at any time the otherwise insignificant fact may have an important bearing on some municipal problem. Quick access to the facts being complete, the life of the whole city becomes clearly objectified so that the data may be co-ordinated and shaped into a governing force.

The rapid progress in trade or class journalism in recent years is an important factor in the preparation for the City News Office. A number of technical journals are recognized authorities in the municipal field. The *Real Estate Record and Guide*, the *Engineering News*, and the *Electrical World* at New York may be mentioned. A co-operative relation will be established with the technical journals, and gradually one class journal after another will be drawn into the trading circle. The technical journals are centers of inquiry in the news system. To organize the reporting of a particular branch of municipal engineering, the appropriate class journal will be called in; that is, the reference will be to an institution instead of to an individual engineer. Each class paper is a bureau of information for its own division of commerce.

It is important to recognize the fact of a news system. IT IS A NEW OBJECT IN COMMERCE. Men are writing of the American railway system. The advent of a railway system is, of course, due to the work of the locomotive in overcoming distance. Owing to this clearance the parts are gradually seen as a working whole—as a single system. Under instantaneous communication, which gives universal contact, the traffic in news is presenting itself in a like orderly and systematic way.

On the side of distribution, the news system has a triple organization—in the daily paper which handles general news, the class or trade paper which deals in class news, and the bureau of information which supplies individual or personal news. It is a singular thing that when a new fact is disclosed in the news movement it carries three possible sales or profits: (1) its general application to be distributed through the daily paper, (2) its class application to be sold through the trade paper, and (3) its special application to individuals which they can obtain through the bureau of information.

The ultimate efficiency of each of these three parts of the news system—the daily paper, the class paper, and the bureau of information—is waiting on a buying and selling relation with the other two. In other words, any general advance in news organization must be based on the recognition of this triple system. Up to this time the different parts of the news system have not to any great extent bought and sold of each other, whereas the present need is a constant traffic on all sides. The publishing business is the one industry conducted on national lines which allows nearly all its by-products to go to waste. Organized, the daily newspaper will draw systematically from the class news office, at a price to be agreed upon, the general news concerning each division of commerce; it is a by-product of the class paper.

The new position of the class paper is shown by the extent to which the daily newspapers are compelled to draw upon the editors of the class papers for articles on the chief divisions of commerce to appear in the annual reviews of trade. Each real class paper, under the pressure of necessity, is possessing itself of all the news concerning its division of commerce. The very influences which have produced the great industrial unities or Trusts are operating at the same time to bring in a succession of class news centers, each an integral part of the news system.

The action of the City News Office will lead directly to the general recognition of the class paper in its true function and dignity. This general recognition will secure to the class news system a market for its by-products, namely, the general news concerning each particular trade or division of industry, and the stream of facts to meet the larger demand from individuals which will follow upon the rise of the City News Office as the central bureau of information.

Having regard to points of origin, the news system connects with the whole field of science, or the divisions of exact inquiry. All

are embraced by the communicating or news-carrying system. Every expert is at the end of a wire.

The physical science men, especially in England, have been trying for some years to devise plans for "distributing the results of science." Working under the endowment system as they do, the suggestion could not easily occur to them that the end must be gained through a commercial advance; that is, by a forward step in the news business. Already certain divisions of physical science have instituted some sort of news gathering on their own account. Chemists the world over, in order to keep abreast of the fact, subscribe to a news leaflet which is published by the chemists of Berlin, the center of chemical science. But any isolated effort is ineffective owing to the absence of a main news center through which the results of scientific inquiry on all sides can be translated into their life bearing. The City News Office at New York will stimulate and make certain the development indicated.

It is important to bring the man of business to see the news system as a function in the State—in the social system. News is not merely detailed, isolated, or unmeaning facts; the news movement is one with the unfolding of science. The most subversive and revolutionary fact is always the biggest news.

To effect any reform in government is to extend the organization of science. The measure of all true government, or social regulation, is always the extent to which exact inquiry is trained upon the object. All normal action turns upon the mastery of the facts. Progress in government is co-extensive with the organization of intelligence, or the reign of science, which means only a clear understanding of things. At a given juncture the iron trade of the world was compelled to answer to the new fact which Bessemer laid down. Likewise in 1840 the English post-office had to respond to the facts in Rowland Hill's report. At no time could rational government exist save so far as intelligence was organized; it began with one who was found to be more clear-sighted than his fellows and was consulted by them; he was their direction-finder, their governor.

The natural history of parliament or the legislature brings out clearly the identity between progress in government and the successive steps in news organization. The early legislatures came in as convenient machinery, the best then possible, for finding out the fact and promulgating it as law. The facts were brought in from the various districts and co-ordinated as means to right

action. The gradual emergence of the news business as a distinct branch of commerce is easily marked. In this progress the year 1771 is an important date, as it was then that the journalists at London succeeded in wresting from parliament the privilege of printing its debates.

The general government, then, is the system of news, of intelligence, of science. And the need of the hour is to lift up its organization to the level of the present means of communication. The first step is to make systematic the reporting of municipal news at New York. The fast printing press and the talking wire have come in, but the manner of classifying and handling news—the method of interpretation—has not changed essentially. The daily newspaper is still conducted in accordance with the ways of thinking which obtained before either the power press or the locomotive was invented.

News reporting—the method of reading the facts of the social body—is as much subject to change with advancing conditions as is the method in any other field of inquiry. As astronomy passed from the Ptolemaic to the Copernican point of view, as alchemy gave birth to chemistry, and as the physiologist gradually came to see the human body as an organic unity, so now the principle of classifying and interpreting the facts of the social body is also subject to an illuminating change, equally radical and beneficent, and whose inevitable entrance compels a clear advance in the news business. The social system becomes an object for science.

With the conquest of distance a new fact, amounting to a new force, has come into the world. The approaches to this have, of course, been gradual from the first invention of sails as a propelling power in navigation, but the play of the forces so liberated could not come full circle prior to the instruments of instantaneous communication. The new force appears on the completion of the social mechanism which provides for the full circulation of news throughout the body. The State is objectified and the all-embracing principle of intelligence, which is both constitutive and regulative, becomes the unerring guide in carrying forward the organization of news. The quality of all organization is determined by the quickness and certainty of communication.

The new social force is the first Fact of the twentieth century; the first fact of the nineteenth century was the locomotive; the second, electric communication.

The proposed organization of municipal news, therefore, involves a change in method—the introduction of a new point of view, of a new way of ideas. Scientific method has entered nearly

all the great branches of manufacturing, but the new forces have yet to be co-ordinated in the news field. The change in the news trade, corresponding to that wrought by chemistry in refining petroleum, has been awaiting the development in science which has called the City News Office into existence. The petroleum industry was organized under the guidance of chemistry, so that in the process of refining all waste came to be transformed into useful by-products; the crude oil was compelled to yield its last values. The new way in handling news has the same scientific precision as the method of chemistry.

Progress in the news business marks time with the successive steps in the conquest of distance. News may, in fact, be called the central product of communication. As is the sun to the solar system, so is news to the social system. Advances in realizing the commodity news are also one with the growth in consciousness of the sense of a social whole, and this, whether the whole be called the State, the body politic, the social body, or the social organism. The very beginnings of a general social consciousness were, of course, dependent on some degree of communication, which always spells community of interest. This movement in consciousness has now reached the great crossing-over point because of the full circulation of intelligence and the consequent freeing of all social forces for co-operative action.

The still regnant view of the State dates from about 1700, which marked the incoming of a definitely constituted parliament in England. Since that date we have had the "divided" State, with "the Government" seen as though on one side and the so-called private commerce on the other. In sharp contrast therewith the State is now to be seen as a unified object in space and time. To see an object in the light of its principle is to transform and transfigure that object.

In line with this thought, the action of the City News Office is grounded in a completely worked out science, or classification, of the social body. The very idea of news implies a social classification. Under any and all conditions, every news reporter, in the selection and grouping of facts, is governed, however unconsciously, by some sort of general classification, which is his way of looking at the object or his notion of the social order. To Aristotle the normal State was divided into citizens and slaves, while Charles I. lost his head through insisting on the permanence of a given classification; he could not see the new place and function of parliament. All progress in news organization has tallied exactly with the successive steps in classification until, with full circulation attained, the universal or objectively valid classification comes to view.



It was a clear advance at the time, following upon the rise of parliament, to see "the Government" as a grouping of certain public organs and to mark off the remaining action as private enterprise, but the fact remains that a divided State is one which is only partially seen. The human body was divided before Harvey, as the arteries were thought to contain "a refined sort of air or spirit." There is need to recognize that the old social classification of 1700 is no longer useful; in fact, its application as a tool of inquiry is now productive of more error than truth.

Through progress in division of labor, the organic State, or social body, foreshadowed by the speculative writers, becomes a clearly defined object in space and time; its system of organs is complete. The divisions of labor therein are but another reading of the classification of news. The news system is revealed and journalism becomes the orderly handling and sale of fact, and this whether the news be of a new comet, a development in physical science, or a mysterious murder. The scientific treatment of news takes the place of the old classification just as the Copernican astronomy displaced the Ptolemaic system. The social system is seen and reported from the universal point of view, and the resulting literature does away with the old or merely speculative politics much as the books of the alchemists receded at the incoming of chemistry. THE BODY POLITIC IS REPORTED IN TERMS OF ITSELF. We have the key to its diversity, and by the light gained all the facts of society fall into right relation with each other. The individual appears as organic function in the State.

We are in the secure path of science, and a single tongue is provided by means of which men can confer together over social questions in place of fruitless arguing from varying premises. Alchemy passed into chemistry through the unified language which Lavoisier laid down. To accomplish the same thing for the science of politics the organs of the social body had to be defined in their working relation; they had to be seen in fact, and not as received from opinion. But the new tongue is the language of action, of commerce, of the world of business. All this gained, social observation, or prediction, passes into the domain of science; the tangled web of fact is seen as ordered movement. The new science appears as a new practice in obedience to the demands of the news business. It is the development and expansion of interest under the pressure of human wants and activities.

Science, exact inquiry, is the source of law and government. The organization of the general government is a division of labor in the State. The legislature, no longer adequate as the fact-finding or law-declaring body, is transcended in the system of news or science. In the moving intelligence an organic unity is pre-

sented which embraces all the differences. The abiding social bond is discovered. The organic concept becomes a working principle for the conduct of the news business. The way is marked out whereby the daily newspaper, to use the words of Calhoun, will become "the organ of the whole."

The second division of labor in the governing system of the State is the banking or credit system, now fast coming to recognition. It is a true universal, as all divisions of commerce are subject to its correcting influence; credit touches the heart of everything. The succession of clearing-houses are its regulating centers, from the head center at the metropolis to the remotest village bank, which is itself a clearing-house where credits are set off against debts.

The court of arbitration continues, with enlarging power, as a universal organ in the governing order. With the legislatures receding as a source of fact or science, the courts are very properly more disposed to overrule them, and the tendency is certain to increase in a marked degree. The courts are almost constantly in session and are, therefore, in touch with the moving and guiding intelligence as compared with the legislatures which meet but once a year or, in some cases, but once in two years.

Without this vision the proposed organization of municipal news at New York would not be practicable. At the outset, the clearance has revealed the true place of the Department of Finance—its function as center of registration in the municipal system. The present scheme of taxation cannot be reported adequately without reference to the new regulating centers which commerce has been creating, and these can only be seen clearly as organs in the social body. Thus, the city maintains a boiler inspection bureau whose efficiency cannot be determined unless comparison is made with the work of the boiler insurance companies. It may be that the city's bureau should be discontinued in order to further the universalizing of the insurance principle. Taxes are laid for bank and insurance regulation, but the bank and fire insurance systems are both attaining to self-government in fact through their own regulating centers. The changes which are appearing in the school system cannot be reported without weighing the centralizing influences of the time. To understand the ins and outs of the so-called municipal ownership question the fact has to be grasped that all social activities capable of collective action are coming to unity of control independently of the old or recognized government, and that it may not be necessary or wise to attempt their inclusion in a formal way under the unity for which the

City Hall stands. Municipal unity does not necessitate a common treasury. The situation again suggests the importance of recognizing the larger and all-inclusive governing unity which is presented in the news or science system. In short, the city government is not an isolated entity; it is an integral part of the social body. The various social antitheses, each of which has produced a conflicting literature of opinion, are resolved.

With the appearance of a social body in fact the whole question of social regulation changes front. Recognition of this body is already widespread in the public mind. The physical separations having disappeared, the separateness in thought cannot longer be maintained; we are now, in fact, members of one body. There cannot be separation after it is discovered that each member is dependent for heat and food on the harmonious working of all divisions of labor in commerce, which is the universal exchange of services. In the words of Henry B. Eddy, "This Commerce is a giant clockwork process, compared to which the old sea-traffic is as crude as the Columbus clock to our present timepieces. It is an evolution that gives promise of far greater complexity, of becoming a system of members so delicate that not one invoice shall go astray but the loss shall be known and appreciated by the whole organism. Compare this era with the dying age of sea-traffic, the era of publicity, knowledge and logic, with the age of secrecy, mystery and romance, when the loss of a great ship was a vague calamity that only years could verify. It is an evolution of childhood into manhood; of boyish dreams into manly ambitions."

We have realized the conditions which Calhoun contemplated when, speaking from his place in the Senate in 1846, he predicted that with the completion of electric communication then just coming in, the earth would "be endowed with sensitiveness so that whatever touches it at any one point would be instantly felt at every other." The social body exists actually as a working whole; it is a self-constituted and potentially a self-governing organization. A final departure is effected from the merely metaphorical use of the phrase social organism. We are now able to see really what other men in the past were only able to see ideally. The social body is governed by laws which are inherent in its own organization; the governing intelligence is one with the body. By the application of science in the conduct of the news business the natural laws of the body are discovered and political guidance furnished; the physiology of the State is brought into use for a clear understanding of its pathology. A further and inspiring belief in freedom and law is gained. With clear recognition of a social body, appeals to the natural law of its development, as against the

worse than useless tinkering through the legislatures, can be successfully made. We get clear light on the ever present police question at New York. The unfortunate policy of trying to correct the morals of society through extreme repression by the police is displaced by an active faith in the freer play of the social forces as means to self-development. The eloquent words of W. K. Clifford have now a deeper meaning: "It is idle to set bounds to the purifying and organizing work of Science. Without mercy and without resentment she plows up weed and briar; from her foot steps behind her grow up corn and healing flowers; and no corner is far enough to escape her furrow."

The City News Office brings into commerce a new idea—integrity in news handling. News becomes a commodity in the full meaning of the word. It is a thing of convenience and may be dealt in on the basis of responsibility for statements made. A directing and all-pervading principle may be let into the business. The organization of journalism, though everywhere extended, must have remained nominal until the arrival of conditions which permit the incoming of integrity, which far outruns the mere idea of veracity. The idea of independence in journalism is to be realized through the appearance and acceptance of a science of news which will make organization actual or real. The passing of the ideal into the real is of frequent occurrence in the development of commerce. When the traffic in Peruvian bark became the quinine trade, the ideal had become real. The crudities of journalism are certain to find remedy through scientific and artistic advance. The time has indeed arrived for the great development in daily journalism, but it cannot be accomplished by any individual paper however capable; it can only be gained by applying scientific method to the whole news system through a new center. In a word, the movement must be organic.

Men in high office are recommending publicity as the one effectual means of solving the Trust question, but, failing to understand publicity, they are looking to action by the old organs of government, with the aid of the police power, as the way to accomplish the end. The enlarged publicity which is very properly desired can only be secured through recognition of the new system and its development on scientific lines. The successive steps in the rise of modern publicity are identical with progress in true social regulation, but they were usually gained in spite of the police power as representing established government. Commerce has been evolving its own control through the definite organization of intelligence. Rightly understood, the Trusts are themselves centers of commercial regulation, and their inter-

are identical with the public demand for a parallel advance in news organization. The beneficent side of the Trust movement will find explanation through the development in literature which the City News Office has achieved. This new literature sets the Individual in working relation with the Whole. IT REVEALS THE PRECISE STAGE OF SOCIAL ORGANIZATION IN AMERICA.

The City News Office is the next step in the further organization of democracy. The end is the exact application of the principle of voting or registration. This will be effected by developing the newspaper interview into a system of fact registration which will connect, in the first instance, with expert sources of information touching all matters directly relating to the needs of New York city's government. Thus, whenever required by the public interest the new center will gather and co-ordinate the facts relating to a given problem in municipal engineering, and will communicate the results to city officials and the daily press. The development is already marked out in the widespread interviewing which is carried on by the newspapers, but it cannot be made systematic and authoritative without adequate principles and methodical procedure.

The modern practice of social registration is a political conception whose meaning is yet to be realized. It is practiced in various ways. At one office land titles are recorded, at another births, marriages, and deaths are entered, while titles to credit are registered at the bank. The citizen has to register prior to offering his vote at the polls. (The system of universal suffrage through the ballot is the great example of social registration. It is worth noting that universal suffrage could not have been conceived practically before the incoming of means of easier communication—the improved highway, the mails, the locomotive, and finally the electric wire for quickly gathering the results. Through the ballot or other means of expression, every citizen is armed with a negative regarding questions of public policy.) On certain matters the people are experts; everybody is an expert on the effectiveness of the street-cleaning department. Policies are instituted by the individual, by the technical men, but the power of negation is with the people and will always remain with them. Universal suffrage is the Negative Registration.

Without reflection, it might appear that the arrival of universal suffrage was the ultimate in democratic organization, but not so as the degree of communication which prompted the idea of one man one ballot was but the midway point in the application of the voting principle. The pending advance is the Positive Regis-

tration. Under it the news or intelligence system will form the directive organization of the State; the principle of representation will attain to its highest development. In this light the doubt which exists concerning the power of democracy to carry forward its own organization is forever dispelled. The cure lies in the advancing self-regulation of commerce. The full remedy appears at the point of greatest complexity or danger when, through electric communication, the last hindrance to the organization and distribution of science has been removed. Under a single organizing and transforming idea, expert voting will come to be legally constituted, and universal arbitration will be substituted for the arbitrary will. Countless disputes will be ended by a plain tale of fact. It is the great co-operation of commerce and its furtherance through the news system. The goal in social organization is to bring all the members of the body into direct working relation with one another, *i. e.*, with the whole; each according to his particular value or function.

The more the principle is used the clearer it becomes that the idea of communication is the master key for classifying and coordinating the new environment, the need being to bring the new governing centers into better working relation with the old organs. Political science, once completely worked out, is so simple as to be obvious that one wonders over the difficulties which men have built up in their minds during the progress to clear seeing. As in the case of all the physical sciences, the path has been from the myth to the object.

The objective existence of the social body—a thing of space at a time—must soon be a commonplace fact both to the scientific and general consciousness. Social organization is unitarian in reality and always has been. The division in the State exists only in opinion, in the uncritical mode of reporting or interpreting life in the science or news system. Without reflection, men of business proceed of necessity on the assumption that there is a social body which they contract with each other on the basis of this assumption and their disputes are referred to an organ of the body—the court of arbitration. The central fact in the development of jurisprudence is the tacit recognition of a social body.

The universal is the only practical point of view for organizing municipal news, the preparation therefor having been made. The procedure is as certain as that of the engineers in constructing the Rapid Transit tunnel. They see their object as a whole, and the city's intelligence is seen in the same way, once an adequate principle has been introduced.

All the positive forces of the hour are trying to attain to the end in view. We are at the culmination of a long series of influences, all converging on the one resultant.

As things stand, New York is without an authoritative news center. The present lack of authority cannot be remedied save through a central office which will bring all science to bear on the conduct of affairs. The action of the city government will be paralleled by the organization of fact, thus providing a sure check on the movement of city business. The new authority is the infallibility of Science.

In the City News Office the citizen will have a center to which he will be led to report all the facts in his possession bearing on the city's welfare. With exact method at the news center, the town is self-reporting, especially when furthered by the larger community of interest which will result from the new methods. A great impulse will be given to the news movement of the metropolis, causing an endless variety in the reporting of life. All experts will report to the center; the "letters to the editor" will be replete with fact.

Under the sway of science the news movement will be the primary influence in city affairs. Pages have been written concerning the credit for the downfall of Tweed, while all the while the interest has centered in accounting for the rise of Tweed. With full responsibility in handling municipal news, such abuses as have gathered round the name of Tweed could not come into existence. Owing to the growth of the Comptroller's authority and that of other executive officers, the local news organization must be made scientific as means to the only effective check on the taxing power. The news system never exercises power beyond the compulsion which resides in the fact.

The City News Office will effect a combination of scientific interests which will take the place of spasmodic movements for municipal reform. By concentrating on the facts the forces of order will all be utilized, while as now the waste of time and energy is enormous, not to mention the useless expenditure of money. The mere sentiment of good government is not enough. It must have a firm basis of fact authoritatively stated, and such a basis can only be provided in the definite organization of municipal science or news. It is only through scientific inquiry at the Department of Finance, and at the centers of the news system, that the demand for non-partisanship in the conduct of city affairs can be met.

The City News Office will act as a general clearing-house for the numerous societies in New York which are seeking municipal bet-

terment, and its literature of fact will be at their service. The usefulness of such societies as have a definite place in the local news system will be enhanced by the incoming of a main center, toward which they have been more or less consciously working. A report submitted to the City Club of New York on April 23, 1902, A report submitted to the City Club of New York on April 23, 1902, reformally proposed a central clearing-house of this order, and recounted the names of forty societies whose aim is social reform. These organizations and the commercial news centers will work together in furtherance of the common end. In association with the commercial principle the mere fad element will be eliminated. An important news center exists in the Charity Organization Society of Manhattan. It operates over Greater New York through its allies in Brooklyn and other boroughs. It has the Borough of Manhattan mapped and divided into news districts. It aims to provide scientific direction for the city's charities, but it cannot reach the highest effectiveness without comprehensive action through a main news center. To become "a clearing-house of registration" for all charitable activities, ease and certainty of communication with the daily press and the general public is necessary, and this compels the organization of the city's intelligence as a whole through a central office.

In recent years, owing to the rise of city government leagues on both national and state lines, the idea of a general clearance or exchange of municipal facts has come to the front. Such an authoritative exchange of news must organize on New York as with other lines of trade, and a new center is needed to facilitate the movement. Without concentration on New York a wide exchange of information is impossible. The government of New York city presents the universal news interest in the municipal field. Of late the engineers of provincial cities have complained of the excessive demands on them for information from other cities, and they have suggested the need of a general center at which the experience of each center could be lodged for distribution. The City News Office at New York will do this for the country and the world.

Speculative writers on municipal reform have been trying to devise the ideal charter, while others, with keener vision, have sought reform through an enlarged publicity. The latter have a correct idea while trying to realize it in a wrong way. They would raise up a state publicity department at Albany for city inspection and audit, in place of finding the correction through a development in the local municipal organization, the full governing machinery being already in place. The movement must have its first center within the establishment; the Comptroller's office is primary in the desired advance. The writers could not grasp the

question practically. They could not understand that the desired bureau of publicity must, in the first instance, be an integral part of the municipal system, and, not grasping this, they have failed to see the Finance Department at New York in its true relation. They could not see that the Comptroller's office is center of registration in New York's government, and that any general scheme of reform must turn upon developing its efficiency.

The degree of news organization which electric communication permits will be a development in government corresponding to the rise of a definitely constituted parliament in England at the close of the seventeenth century. The political reformation of that time involved far more than the substitution of one king or boss for another. It consisted in pushing forward the intelligence system by means of a fully organized parliament. A like change, though of vastly greater meaning, has now to be effected through the news system.

The organized news system of New York will take the place of the old-time Common Council. The local legislature of sixty years ago was prompted by distance. The city was divided into districts and the members from each came together with the neighborhood facts to confer upon what should be done. It was a long way from the City Hall to Fifty-ninth Street in those days, but now all parts of the enlarged city are as one through the talking wire and rapid transit. It is a revolution in conditions, and as a result the central governing body is a group of executive officers constituting the Board of Estimate and Apportionment, while as we have seen, the Finance Department has arrived at extraordinary powers of inquiry and control. At present the Comptroller's experts do the work which once fell to the committees of the Common Council. The news system appears as the chief organ of the general interest, and the necessity arises for subjecting it to exact method. The facts must be brought to a center by some agency, since the old local legislature is passing into decay. The work of protecting the general interest becomes a business pursuit.

Municipal reform is again identified, as the problem from any point of view is the publicity question. As the city problem is the heart of the social question, the central need in American statescraft to-day is to organize the municipal news of New York city in such a way that the daily press will be enabled to report the facts in place of the present irrelevant gossip, and worse. It becomes obvious that at no time was any sort of municipal reform possible which did not involve and compel an extension of scientific inquiry or publicity. It will soon appear strange that there should

have been so much discussion concerning governmental progress, since it is all bound up with extending the organization of intelligence. It is only by this means that the idea of municipal reform can be grasped and carried out. The very nature of a scientific advance is reformatory.

The immediate factors are compelling municipal reform on the lines indicated. On the one hand the necessity of carrying forward the organization of the Finance Department compels a new center in the local news system, while on the other the Comptroller's office is driven forward by the increasing demand of the news interest for more light on municipal affairs.

FRANKLIN FORD,
280 Broadway, New York

January 15, 1903.

Through gaining a common center all parts of the city's news system will be brought into the public service. For a moderate fee the City News Office will furnish reports to any citizen or taxpayer concerning his relations with the city government. Inquiries will be made as demand may arise. The charge for special and prolonged investigations will be in proportion to the work involved. News will be sold to the newspapers of New York city and to the press of the country and the world. All comers will be treated alike, as the principle demands a free interchange of news on all sides at equal charges for the same service.

Yearly subscriptions from individuals, firms, and corporations will be the first source of revenue of the City News Office. At present some hundreds of thousands of dollars are annually subscribed by New York's men of business for the support of municipal inquiry, through various bureaus and societies, from the view point of the general interest. These payments show that the need already exists in the public mind for a main center, equipped with an adequate principle, which will develop the revenues indicated, and which, above all, will deliver the goods for which the money is paid. The City News Office will issue daily bulletins of reports concerning the operations of the city government for the benefit of subscribers, and it will make systematic the reporting of the Albany legislature. When full organization has been attained the City News Office will publish the Municipal Yearbook of New York.

The City News Office will be a public institution, organized under the membership corporation laws of the state of New York. It

at once an educational and a commercial institution. It will succeed commercially, through its advanced methods, in a business whose revenues from the sale of news run into the millions at New York alone, while to bring order into the reporting of the municipal affairs of the metropolis will be educational in the highest degree.

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