

Seattle City Clerk's Office

Comptroller File

28214



NOTARY PUBLIC TEL. IND. 343  
L. N. ROSENBAUM,  
LAWYER

Oriental Bldg., SEATTLE, WASH.

Seattle, Wash., Aug. 11, 1905.

To the Honorable, the Mayor and Common Council of the City of Seattle:-

Disregarding all reference to the Moore-Gilman Franchise, it is inconceivable that so intelligent a citizen and student of civic affairs as Judge Humphries, as many others, apparently find themselves firmly imbued with the idea of "Municipal Ownership" of public utilities in general, and street railway facilities and franchises in particular.

Exercizing my prerogative as a citizen, resident and taxpayer, I desire, gentlemen, that my views touching the subject matter of Judge Humphries communication to you on file here, be considered as in opposition thereto, and be equally considered upon any consideration of the issues involved.

There is grave error in the sentiment that the granting of street car franchises to private and individual enterprise is soon to cease. No system, other than private or individual enterprise, could achieve the high standard of improvement and development of public utilities so manifest of American municipalities. It is private enterprise that rear and sustain cities, markets, commercial centers; open streets, avenues and unapproachable and uncleared tracts of land.

Municipal Ownership of public utilities under present conditions in the United States is a physical and financial impossibility. Political "pull" would predominate in the operation and management thereof; favoritism would be the tenure of office. Never would or could a municipality conduct with a necessary degree of discipline the conduct of its various utilities; not, anyhow, in the United States, for many a year to come.

Had this government, at its inception, proclaimed that none but municipalities were to own and operate the public utilities forming a part thereof, then municipal ownership would be in place, though never a proposition of financial merit nor a service of any

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-2-

degree of success, satisfaction, or so far reaching a consequence, as has been the attainment of private enterprise.

Agitators of "Municipal Ownership" fail to appreciate that were it not for the energy and accomplishment of private enterprise this country would be minus the tremendous and plentiful street transportation, gas, electric, and other local facilities. Thus consider that the United States, though under a system of private energy, leads any other country on earth, in proportion to area, population per capita speci, in point of local trackage, number of cars in operation, gas, light and heat plants, etc., and consumers and users thereof.

It is argued that "street car fares in Seattle are the same that were charged during the day of old horse car and mule drivers". That is untrue. In the days referred to there were no cars running to and from South Park, Ballard, Fort Lawton, etc., either in point of number or frequent schedule, or at the same rate of fare; neither could one make the ride from South Park to Ballard on a five cent fare; nor were transfers to all contiguous lines given as now, nor were personal damage suits as plentiful; nor improvements as costly and as many.

Private enterprises pay highly for franchises, legal services, etc. By a system of "municipal ownership" the municipality would require costly additional legal services, more officials, subordinates, etc., also another costly and greater accounting department; and many other necessities that would entail unprecedented expenditure of public moneys, and undoubtedly increase taxation. Many other obstacles, too numerous to detail, may be mentioned. Beside, and of far greater consequence, municipal ownership of public utilities would destroy competition, and that lacking invites an inevitable era of stagnation and decay. Numerous instances are cited in favor of the present agitation, showing how enormously profitable

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-3-

have proven one, two, and three cent fares in cities operating their own tramways, such as London, Dublin, Belfast, Ottawa, Montreal, Glasgow, Hull, etc., and with great gusto and pride pardonable Judge Humphries imprints upon our intelligence that in certain instances fares have been reduced, wages increased, etc. But it is significant no such assurance is given that the service has improved, nor that wages at the increased figure are as high or in anywise compare or equal those paid at Seattle and other American cities; nor that are taxes as high at those points as at Seattle. Significant also is that no assertion is made challenging the quality, style, and comfort, and the superior construction of the cars and equipment in use here, with those at the places mentioned.

Considerable forceful reasoning may be advanced against grasping too blindly at "Municipal Ownership". No doubt, in due season, as meets the particular condition of each case, and with due regard to locality, "Municipal Ownership" on a saner basis than is now proposed will come; and then as a blessing, not as an upheaval of established and necessary conditions. Chicago is a fair example of this statement.

Meanwhile, the public may protect itself and be sufficiently served by means of conservative legal regulation of public utility enterprises.

Respectfully submitted,

*Lewis N. Rosenbaum*

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