

THE
ELIZABETH QUESTION:

AN

IMPORTANT BUT IMAGINARY
CORRESPONDENCE,

BY

AN INSTRUCTED AND AMUSED OBSERVER
(NOT OF ELIZABETH).

My philosophy tells me to accept events as they come, with all possible serenity, but not to be content with evils as they are, so long and so far as they are remediable. Things improvable ought not to be held as immovable.



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By C. N. BOVÉE,
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The happiness of a people is illustrated in their genial humor, their intelligence in their sentiments, and their worth in what they do.

PREFACE.

In the following pages are to be found a series of letters *not* contributed to the Newark *Daily Advertiser*. That form of publication, in that or any other journal, would perhaps have embarrassed the lately appointed fiscal agents of Elizabeth in the difficult and delicate task they have undertaken, from its possibly leading to unprofitable, protracted and misleading discussions from other sources. The susceptibilities of the press, too, needed to be respected, and the selection of one journal, though the most influential in the State, as the organ of the opinions here advanced, might have led to invidious criticisms of these opinions by other journals. But, it is thought, no reasonable objection can arise to a series of imaginary letters, presenting, with mingled humor and gravity, the salient facts, and considerations applicable to them, connected with Elizabeth's unfortunate imbroglio, now happily in a way to be early terminated.

The author, on his title page, has called himself an *instructed* as well as amused observer. A few words as to that word "instructed," to obviate any possible misconception of its import, or of himself, as to his motives or interest, or any invidious influences what-

ever, behind or in him, and moving him to enter upon this, as he hopes, field of useful endeavor—that of presenting, in an agreeable form, and in an important matter, some useful facts for intelligent consideration. In no degree then is that word “instructed” to be taken as a synonym of “inspired.” The folly or the wisdom of this pamphlet is all the author’s own. No single word even of suggestion of it has proceeded from any other source than his own idle fancy, except that, several years since, his attention was attracted to the condition of Elizabeth’s finances, and, in a journal he then conducted, he was led, as a subject of public importance, to inform himself upon it, and, to an inadequate extent, to write upon it. He was then earnestly in favor of an early settlement of its indebtedness, believing it called for by the interests of all parties concerned, without having any interest in such settlement himself, except that of a journalist and public-spirited citizen. As he stood then, so he stands to-day, except that the settlement which he then earnestly favored he sees now, with great gratification, likely to be realized, and is led now again to proffer his aid towards a consummation so sincerely wished and altogether desirable.

THE ELIZABETH COMMISSIONERS.

EDITOR NEWARK DAILY ADVERTISER:

The creditors of Elizabeth must now take care that they are not won into settlements of their claims inconsistent with their interests. One of the Commissioners, at least, Gen. WOODFORD, is a man of very remarkable powers of persuasion. We should not consider our jack-knife safe in our pocket, if he should propose an exchange of his pen-knife for it. The merits of that pen-knife would be set forth in such attractive terms that its possession would soon become one of the highest objects of earthly ambition. Knowing that, in advance, as a tribute to his great powers of statement, scarcely exceeded by those of any public man in the country, we should, to save the loss of our time, as an offset to the loss of our jack-knife, at once close with the proposal, knowing full well that it was only a question of time as to when his powers of persuasion would prove to be irresistible. In respect to his great gift of fascination he is almost equal to RICHARD BRINSLEY SHERIDAN, of whom it was said that one of his creditors, to whom he owed a hundred pounds, which he never expected to get, was afraid to stop and speak to him when he met him on the street, lest he should make it two

hundred pounds. Taking counsel of the superior discretion of this earlier representative of a precarious claim, we caution the creditors of Elizabeth at least to insist upon something desirable for their claims; to get by all means a pen-knife for their jack-knife; not by any means to be persuaded to increase their claim; not even to entertain a proposition for doubling it, for if they do this too seductive after-reasons for accepting it will prove too much for their reserves of capital.

We know less of the other Commissioner, except that he is a gentleman of distinction in financial circles, but the circumstance that he was also appointed, after a full canvass of his merits, to so important a trust, will give like great weight and authority to his statements. Influence is according to worth and intelligence, and upon that principle Mr. FITZGERALD is to be regarded as a dangerous man, as well as his associate. They propose to pay, and that long deferred circumstance in the life of the debtor they represent, makes them just now two very interesting persons to a large number of expectant creditors. "To owe is human, to pay divine, and not to pay fiendish," is the not rare though austere sentiment of creditors. Let them be held then to a high performance: if not to something superhuman,—if to something less than divine, so far as paying in full is concerned—still to paying up to the full measure of Elizabeth's capacity.

We write in this matter understandingly. We have some knowledge of these claims, and of the ability of Elizabeth to pay, and are sure it can pay some-

thing desirable. We wish we could say "something handsome," indeed, but truth is the law of our life, and as "handsome is as handsome does," that remains to be seen or shown. It has at least that pen-knife, and let the creditors make sure of that for their jack-knife.

We will return to this subject if desired, and show by a careful inventory and consideration of the contents of Lady Elizabeth's pockets, in which are to be found several buttons (that will be valuable when buttons come to be a part of the currency, and legal tenders through an act of Congress making them so), and several spools of cotton (serviceable to enable us to spin out the thread of our story), whether several buttons and spools of cotton ought not to be added to the pen-knife in exchange for the creditor's jack-knife.

SAFE GUARD.

THE ELIZABETH COMMISSIONERS AGAIN.

EDITOR NEWARK DAILY ADVERTISER:

I wrestle with myself not to lay violent hands on that writer "Safe Guard," that you inconsiderately admitted to your columns yesterday: that is, I feel like handling him without gloves. He undertakes to treat the delicate and important matter of the extrication of Elizabeth from her financial embarrassment humorously. Now, humor is out of place in grave affairs. Your only safe man is the man who never

laughs—except over trifles, with triflers, and in trifling places. Humor is the clown's quality, good enough in the circus, but it ought not to intrude into the consultation chamber of the sick town, when the doctors are gravely considering the critical condition of the patient, and earnestly seeking to devise some remedies to lift him out of his almost moribund condition. It is true, "Safe Guard" seems to have an ulterior earnest purpose in view, and at the close of his curious letter intimates that he will, in a return to the subject, conduct himself with more decorum, and gravely come down to a proper consideration of the austere facts and figures, and the delicate and weighty reasons bearing upon them, pertinent to his important subject. Well, let him do that, and I will forgive him his late extraordinary performance in caracoling, like a donkey broke loose, in our garden, till each flower-bed bears the marks of his hoofs. In the meantime I commend to him this query for solution: Is not a clean crust better than a dirty loaf?

GRIM EARNEST.

EDITOR NEWARK DAILY ADVERTISER:

That writer "Safe Guard" in the *Advertiser* yesterday didn't know what he was writing about. If he had known more he would have known that the amount to be offered to the creditors of Elizabeth by the Commissioners is not an amount of more or less according to their discretion, but is simply a fixed percentage to be paid in a certain way, which they are empowered to submit as an offer, and for the accept-

ance of which they are to negotiate. And what he says about "To owe is human, to pay divine, and not to pay is fiendish," is nonsense. I have known many a man who couldn't pay who wasn't at all "fiendish." The thing to do when a man can't pay all is to pay in part; as much as or all he can. That is the honorable thing for him to do, and a most gratifying thing to his creditors, if they are reasonable beings. The "fiends" are those who won't accept a reasonable offer of settlement, not the people who tender it. And that is precisely the relation of Elizabeth to its creditors.

I know nothing about the "powers of persuasion" of either of the Commissioners, to which "Safe Guard" refers, but presume that they are both able and honorable men, and it ought not to require any great power of persuasion to make it clear that the offer to be submitted by them is one deserving of the most favorable consideration. Both parties will get relief from it: the creditors by getting availables for their ancient claim, and the city of Elizabeth in the way of securing a final escape from its present compromising position, that retards its growth and postpones its prosperous future.

VIGILANTE.

EDITOR NEWARK DAILY ADVERTISER:

If "Safe Guard," in his humorous letter in your journal yesterday, means to intimate that Elizabeth can pay more than it offers, I join issue with him. Let him, or any one, take a map of Elizabeth, and he will

see that it consists of two parts; a nearly central part, embracing the city proper, or the improved part of the township, and an outer environment of generally unimproved lands. The rateables of the former are estimated at ten millions, mortgaged probably for about half their value, leaving about five millions really, and the latter are already so taxed to death that you can squeeze little more out of that sponge. Instances can be cited of lands here valued at \$1000, on which there are arrears of taxes and assessments amounting to at least \$3,000. So that here is almost a "beggary account of empty boxes," out of which the fiscal agents of the town are to get nearly four millions, with which to pay its indebtedness of approaching seven millions. If "Safe Guard" is as good at figures as he is at a jest, I commend this count of heads (with little in them) to him.

SURE THING.

EDITOR NEWARK DAILY ADVERTISER:

Of the two dangerous men spoken of in yesterday's *Advertiser* by "Safe Guard" I think the most formidable is that suave President of a great Trust Company, Mr. FITZGERALD. He is accustomed to be trusted, both personally and officially, and will ask and expect from us an unlimited trust in him. Gen. WOODFORD belongs to a talking profession, who are expected to talk well, and so we will be on our guard against him, particularly as a master in his art; but Mr. FITZGERALD will figure as a man of figures, and to his state-

ments we must give the most particular attention, to see that we are not misled by them.

TRUE FIGURES.

EDITOR NEWARK DAILY ADVERTISER:

I wish to say a few words suggested by "Safe Guard's" letter in the *Advertiser* yesterday, as to the advantages to be derived by Elizabeth from a successful settlement of the claims against it by its lately appointed fiscal agents. Elizabeth, relieved from its present financial imbroglio, and put in a shape of having only a manageable debt, will be like a man similarly positioned, an object of respect, and the errors of the past, which led to that loss of respect, will not be so likely to be repeated, after having been so seriously suffered from. A beautiful city will once more become attractive. Uncertainty will give place to certainty in its affairs, and as to its future. The amount it will have to pay, and its ability to pay, will both be made clear. The awful face of the tax-gatherer, as hideous as that of death, with whom he is familiarly yoked, will no longer affright the imaginations and disturb the dreams of the good people of Elizabeth, and of the good people of other places owning property there, or that may think of moving there as to an attractive place of residence. A fancy for the place will take the place of the present distrust of it, investors will be attracted to it as a field for profitable investments, appreciation will succeed to depreciation in its property values and valuations, and generally a day of beauty and gladness will follow a long night of gloom

and depression. Therefore, let every man interested in the property of Elizabeth, as far as he can, aid its fiscal agents in or toward an early accomplishment of the great object of their important commission.

FIXED VALUES.

EDITOR NEWARK DAILY ADVERTISER:

I am a man of plain, good sense, I hope, without too much imagination or humor to run away with my discretion, and especially without any of that dangerous quality, or accomplishment as it may be thought, of humor carried to the excess of irony, that so often gives offence to the sensitive and grieves the judicious. I therefore entreat your mirthful correspondent of yesterday, "Safe Guard," that he will not confuse an important matter, that ought to be kept as clear and as simple as possible, by bringing into the discussion of Elizabeth's affairs any too extraneous and unnecessary matters, if he wishes really to reinforce with his powerful pen Gen. WOODFORD's commanding powers of persuasion, and Mr. FITZGERALD's eminent fitness and great financial ability and influence, in procuring the earliest possible settlement of Elizabeth's indebtedness.

This is all that I think it is necessary to say now, but if "Safe Guard" has to say anything further, to the effect that Elizabeth can pay more than the fiscal agents are empowered to offer, I shall be glad to show, as I think I can, that she can't. You can't get more out of a gallon than four quarts when it is full,

and no more than two quarts when it is half full. And Elizabeth is half full, and it offers two quarts: a good offer, as I am prepared to maintain, if occasion arises for it.

GRENADIER.

EDITOR NEWARK DAILY ADVERTISER:

If the community of Elizabeth had been much more than a gathering of hysterical old women, wringing their hands over a big pail of spilled milk, instead of sopping it up and going to the cow for more, they would have arranged their domestic matters long ago themselves, (if their creditors would have allowed them), but as they have not, and have called in the aid of gentlemen eminent in the law and finance from outside to aid them, good sense suggests that these gentlemen in turn should be aided, in their delicate, difficult, and important task, by all possible suggestions that may be thought to have value. As my contribution, of this kind and in this behalf, let me say, that it seems to me that the first and most important thing, after an acquisition of a full knowledge of the situation, is for the fiscal agents, at the outset, to determine upon the very best manner of procedure to be adopted for procuring the consent of all the creditors to the settlement proposed. This can be best effected, in my judgment, by the agents calling an early meeting of the creditors, and getting, then and there, as many of them as possible to sign a contract, as concise and as clear in its terms as the contract between the city authorities and the agents

themselves, agreeing to accept the terms offered, and to carry out the provisions of the settlement by a surrender of present for substituted bonds, etc., and then by having the other non-appearing and recalcitrant creditors, or their representatives, seen personally, as soon as possible, and brought over to the true faith and a saving grace.

LIGHT HOUSE.

EDITOR NEWARK DAILY ADVERTISER:

I quite agree with your correspondent, "Fixed Figures," in his estimate that of the two fiscal agents lately appointed by Elizabeth, that President of the Trust Company is the most dangerous. A president of a great Trust Company has come to be regarded as a man who, if he hasn't already your money, ought to have it, as it can no where be safer than in his hands. He is a guardian of guardians, a trustee of trustees, and of all men the most fit to be trusted, it is thought. He is a sort of commercial fetich. Commercial men, and especially bond-holders, bow down before him, and address him after the formula, "May I speak and live?" Next to the great American fetich, the judge—as to whom DE TOQUEVILLE in effect said that we Americans were great idol-worshippers and our idol was the Judge, the great object of reverential worship of all capitalists is your President of a great Trust Company. Men of letters have their fetiches in LONGFELLOW, EMERSON, BRYANT, WHITTIER, and so forth; politicians theirs in BLAINE, CONKLING, CURTIS, EVARTS and WOODFORD, (the leaders to whom

the Executive of the country makes his ineffective appeal in the cartoon of *The Judge*, to save the grand old party,) but beyond all these, since there is no worship in our time so devout as money worship, is your irreproachable President of a great Trust Company. The City of Elizabeth has therefore been profoundly designing in appointing such an all-influential person as its agent, to get possession of our bonds and other evidences of debt, and if we don't take care, and exercise a stupidity exceeding even that of the past, he will do it, and then we shall be deprived of the pleasure of revelling in the delights of a soon wholly unmanageable, now almost unmanageable debt.

CAUTIONARY SIGNAL.

THE FINALE (?) OF THE ELIZABETH TROUBLES.

EDITOR DAILY ADVERTISER:

The picture drawn by "Fixed Values" in yesterday's *Advertiser*, of the future prosperity of Elizabeth, as a result of a settlement of its now outstanding excessive indebtedness, is not overdrawn. But there is another side of the picture—the horrors of the future to the creditors of Elizabeth, following a failure of its fiscal agents to effect the settlement now proposed. A few facts, briefly stated, may help to make this clear. In his annual statement of July 1, 1879, the Comptroller of Elizabeth stated the debt of

that municipality to be then \$5,823,865.16, with assets, consisting of unpaid taxes and assessments, amounting to \$2,819,771.19, (assets, however, only apparent, because the courts of the State have declared most of the assessments illegal) leaving a net debt of \$3,004,098.97, not taking into account other assets of the city consisting of school houses, market houses, engine houses, fire apparatus, and the like, which could not by law be levied upon for the debts of the corporation. Allowing a million of dollars as uncollectable on the assets, (irrespective of the assessments declared illegal) the net debt was then estimated at about \$4,000,000. Now the entire indebtedness is stated to be nearly \$7,000,000.

Then it was held to be impracticable to make a settlement on the basis of bonds at four per cent. for the full amount; now, with the amount so largely increased, it is proposed to pay 50 per cent in bonds bearing that rate of interest. These simple facts, showing so large an increase of indebtedness, within so short a time, on one side, and so great a decline, also within so short a period, in estimated capacity for paying, on the other, are certainly very suggestive. If Elizabeth was so far behind then, and is so much farther behind now, after a brief period of four years, where will it be in estimated paying capacity, say four years hence?

Moreover, the bonds of the city have sold for several years back at an average of from 40 to 45 per cent, and now, I understand, can be bought in open market, for about 40 per cent, *flat*. In other words, a bond of \$1000, with all accrued interest thrown in,

can be purchased for \$400 or \$420 cash; and, as the accrued interest on each bond amounts to nearly \$200, the actual per centage, in open market, is reduced thereby to about 35 per cent.

Can a stronger statement in little be presented than this of the importance to the interest of creditors of an early settlement on the basis now proposed? That basis is superior to that already substantially agreed upon between the people of Rahway and their creditors, as appears from the *Advertiser's* report of the proceedings of a Conference of the bond-holders of Rahway and the authorities of that city, held at Newark on the previous day.

Quoting from that report, "A lengthy private Conference was held," it says, of the bond-holders, and "the result was that the bond-holders unanimously resolved that they would advise all creditors to concur in accepting a settlement with the city of Rahway on the following basis: To calculate the principal and interest of the debt, at the rate of seven per cent. up to November 1st, 1882, and to accept new bonds for thirty-five per cent. of that accumulated principal and interest, the bonds to be payable in forty years or sooner, at the option of the city, and to draw interest for the first two years at two per cent, the third year at three per cent, and after that at four per cent. This was communicated to the representatives of Rahway, and after consultation they agreed to do what they could to secure the action of the city authorities of Rahway in acceptance of the proposition."

And who can doubt, under all the circumstances of

that case, that the high contracting parties there decided wisely and well, and that their procedure constitutes a precedent, under the circumstance of a superior offer of settlement by Elizabeth, worthy to be followed?

But a few words more remain to be spoken:—“Fixed Values” has drawn a vivid picture of the benefits to be derived, by the citizens of Elizabeth, from a settlement once effected. That picture, well painted in its broad outlines, also justifies the confident conclusion that the prosperity of the city, and the appreciation of property in it, so pictured, as the inevitable results of such a settlement, will enable its authorities to make prompt payment of interest, as it falls due, and ultimately retire the bonds given in settlement.

FINAL ESCAPE.