

Ink Stings.

The more HANNA gets on the stump the worse the Republicans are "stumped."

Ask THOMPSON whether he is a HASTINGS or QUAY man and see him look wise and offer you a cigar.

WETZEL and KEPLER are gaining ground every day. Both are meeting the people in a straightforward way that is what the people like.

The soldiers in the Philippines are complaining of short rations. MARK HANNA's full dinner pail racket is not being worked very extensively in that section.

WETZEL has been tried at Harrisburg. No man in Centre county can say aught against him, either politically or privately, and the people have so much confidence in him that he will be re-elected with an increased majority.

Why vote for ALLISON for Legislature. He is a very nice gentleman, but he doesn't want to go to Harrisburg. He had to be coaxed for days before he would consent to be the means for pulling HASTINGS' chestnuts out of the fire.

A vote for WETZEL and KEPLER is a vote for two men who stand fairly and squarely for the people. They are not the creatures of any one man or clique and can be trusted to represent everybody in the county when they go to Harrisburg.

Because his nomination is equivalent to an election don't forget to mark a vote for FREDERICK ROBB for jury commissioner. He is such an honorable gentleman that his name would give tone to any ticket, so let us return our compliments to Mr. ROBB by giving him a rousing vote.

The truth has finally become known. American soldiers have been guilty of looting in China. They seized \$400,000 in gold at Tien Tsai, which was looting, since we had no war with China and the seizure could not come under the head of confiscations allowed under the rules of war.

QUAY called to see President MCKINLEY on Sunday, the object of his visit being to tell the President that he will be re-elected by a larger electoral vote than he had four years ago. How it must have tickled MCKINLEY, for QUAY knows, you know. Only two years ago he said he was going to be re-elected to the Senate. You know how that turned out.

The Sulu Island agreement, by which President MCKINLEY is paying the black Sultan of that island \$10,000 and guaranteeing him immunity in his slave holding and selling and in his polygamous habits, should be enough to doom him to defeat, were it not for the army canteen. The latter disgrace, in itself, ought to be enough to change all right minded people from the notion of continuing such an administration.

The people of Dresden, Ohio, raised by popular subscription, enough money to secure a steel mill that employed 250 men. The mill was started and many of the operatives built comfortable little homes. The steel trust came along and bought the mill and a few months later it was closed. It is falling into decay now, many of the workmen are gone, but the ones who had their homes partially paid for are stranded and to-day are probably wondering, with the other people of Dresden, whether MARK HANNA was not lying when he said "there are no trusts."

BRYAN'S tour of New York State is quite different from the visits he made four years ago. Then the people held aloof, they regarded him with suspicion and only looked at him out of the corners of their eyes. How different things are now. Everywhere in the Empire State he is received with open arms and wildest enthusiasm. It is this change that has sent HANNA to the stump and in his effort to stem the BRYAN tide he has not even hesitated to tell most palpable lies. Why he actually said: "There are no such things as trusts."

An effort is being made to have a passenger train run over the Clearfield branch on Sundays and sister ANNIE WILLIAMS, of the Philadelphia Ledger, is firm in it, but then she need not be regarded seriously. You know it was only a few weeks ago that the Ledger was swearing— with about the same grace that a woman throws a stone—that the HASTINGS harmony convention was an outrage on Republicans and that if all who were not ladies would be men they would show DAN a thing or two. Well, the Ledger is as hot as any other Republican paper for DAN's ticket now.

The Bellefonte minister who took it upon himself to cast aspersions on several newspapers of the town, in his sermon last Sunday night, is like a great many others of the clergy who are heard from in such foolish ways all over the country. In the first place, he would probably never have heard of the boxing contest he made the crusade against had it not been for the publicity given it by the papers. In the second place, if he scans the papers carefully this week he will find that his exception to the papers that "didn't have the manliness or courage to suppress such news" is at heart just as bad as the rest of us. And in the third place, we do not think we are stating it too broadly when we assert that the legitimate newspapers of the land are just as earnest in the conservation of good morals and enlightenment of the people thereof as the clergy ever has or will be.

Democratic Watchman

STATE RIGHTS AND FEDERAL UNION.

VOL. 45

BELLEFORTE, PA., OCT. 19, 1900.

NO. 41.

The Dangerous Power of the Auditor General.

UNLIMITED IN AUTHORITY, UNRESTRAINED IN ACTION.

A Power that Can Increase or Decrease Taxation at Will; That can bleed or Favor Corporations as Party Necessities May Require. Where Favoritism can be shown at the Expense of the Taxpayers and Corporations be Repaid for Campaign Contributions. An Office that has no Dread of Auditor, or Fear of Courts.

It is not risking too much to assert that few of the 6,000,000 people, and very few of the 1,200,000 voters, in Pennsylvania, have any adequate conception of the importance and influence of the office of Auditor General. The framers of the new constitution undoubtedly foresaw the tremendous power of this office and its close relation with the executive administration of the state government of the treasury department, and they so fixed the term of these respective offices that, ordinarily, the elections to them should not be concurrent, making the tenure of the Governor four years, of the Auditor General three years, and of the State Treasurer two years. It thus happens that only once in twelve years are these offices filled at the same election. The purpose of this arrangement was undoubtedly to prevent a concentration of control in one political or partisan dynasty.

That this was a wise conception, may be gathered from the brief review of the enormous and ever increasing power of the Auditor-General's department under our peculiar system of state government. In these days of popular indifference to strict supervision of public officials, auditing officers, local and general, have come to be regarded as "auditors who don't audit"—like "directors who don't direct." It required the vigorous and healthful example of Robert E. Pattison, as Comptroller of Philadelphia, to awaken the people of that city to a sense of the fact that the Comptroller's office, was the centre of political power, as well as the most effective check and curb upon rascality and inefficiency in executive departments.

The people in Pennsylvania, however, have never been thoroughly aroused to a sense of the fact that the office of Auditor General is the most powerful, for good or evil, in their system. A glance over the laws creating this office, as digested in "Purdon," or even as set forth in Snell's Hand Book, affords an inadequate suggestion of its actual importance. It is true it appears, from these authorities, that he can exercise large executive, and even judicial, powers; but only those who have become familiar with our Pennsylvania system of collecting and disbursing revenues—and such are comparatively few—thoroughly appreciate why the ruling powers seek to get and keep control of this office, and seldom allow any man of original ways of thinking, of stern and unbending integrity, and with courage to defy the party bosses, to be nominated and elected to it. Such a one they were compelled to take in the person of General Gregg, when the Barkeley defalcations had aroused public indignation; but they soon dropped him, and have neither sought nor found any of his kind since.

The taxation system of Pennsylvania is a novel one. It is well calculated to raise large revenues, for the purpose of those who govern it, without the general public being made even so sensible of the burdens of taxation as they are under the indirect methods of raising revenue by tariff. For many years, the delusive and degrading cry of the Republican politician has been that "real estate is not taxed in Pennsylvania for state purposes." The direct burden of taxation was cunningly lifted from the farmer and imposed upon the corporations of the State, long before the eyes of the rural tax-payer were opened to the fact that though he had been relieved from state taxation, he had had a triple burden imposed upon him by the relief of corporate property from local taxation. It is not our purpose, at present, to discuss this complicated, though burning, question, but only to point out that the importance of the office of Auditor General is vastly enhanced by the Pennsylvania system of making the State the assessor and collector of substantially all corporate taxes.

In round numbers, the revenues of Pennsylvania are \$15,000,000, while the ordinary and necessary expenses of state government scarcely exceeded \$3,000,000. A large proportion of the expenditures of Pennsylvania are for objects primarily of local concern, such as schools, charities, penal and reformatory institutions, judiciary, and the like. Of its revenues, approximately, \$1,000,000 is gathered from personal property, another \$1,000,000 from collateral inheritance taxes, \$2,000,000 from licenses, and the greater portion of the balance—probably \$10,000,000—from corporation taxes, in one form or another. Not more than half a million comes from bonuses on charters, and the enormous balance consists of taxes imposed on corporation capital, loans, gross receipts, gross premiums, bank stocks, etc.

While the rate of taxation is fixed by the Legislature, the assessments and the collection depend on the intelligence, the integrity and efficiency of the Auditor General's department. True, the State Treasurer, in a perfunctory way, joins in what are called "settlements"; but the actual work is done in the office of the Auditor General. When he is a mere figurehead, the source of authority and power is his corporation clerk; and, when he himself is "the power behind the throne" and dominates the corporation clerk, the amount of tax that shall be assessed against a corporation, the promptness with which it shall be paid, whether any tax shall be assessed against it or not, and if assessed, whether it shall be collected or not, depend absolutely upon the Auditor General, and the Commonwealth of Pennsylvania is wholly at his mercy in these supremely important matters.

The value of capital stock, for example, is a subject for the exercise of the best judgment, lay and legal, and is one over which the most eminent lawyers and the most learned courts have battled for many years. The decisions of the highest courts of the Commonwealth and country upon this subject present illustrations of the finest "hair-splitting." Notwithstanding long campaigns waged in the courts for the ascertainment of principles of taxation, the whole subject, yet practically remains within control of the Auditor General. In the case of corporations whose aggregate taxes, in single cases, exceed more than half a million dollars, whose property runs into hundreds of millions; and in case of the thousands upon thousands of corporations of every magnitude, character and degree, who fill the coffers of the State, the power of the Auditor General to say what their taxes shall be, and when they shall pay them, or what taxes claimed to have been improperly paid shall be remitted to them, is literally to hold the pursestrings of the Commonwealth. The Auditor General may examine the books, papers and accounts of every corporation, institution or company having accounts

to settle with him. He can compel witnesses, books, papers and documents. He can commit to prison recalcitrant witnesses. He settles all the accounts of the Legislature and the several departments. He may revise and re-settle accounts erroneously or illegally settled, re-open accounts, impose liens on all real estate of the persons and corporations indebted, escheat estates, pass upon collateral inheritance cases, and, if local courts fail to do so, he may audit the accounts of county officers. Indeed, their returns all pass under his scrutiny. In all these cases he may remit, reduce and abate the amounts due the Commonwealth at his own sweet will or arbitrary caprice, without fear of detection or danger of review.

When it is considered that it is wholly within the power of this officer to increase or decrease the taxation of great and small corporations by hundreds of thousands of dollars; to permit their officers to withhold payment for a long period, or to compel them, by sharp processes, to rigorous accountability; when he may allow some county treasurers to withhold the taxes due to the Commonwealth for months or years in the interest of local banks having their deposits, or compel other county treasurers to make prompt payment, and then, for long months, withhold from counties their three-fourths share of the personal property tax; when every member of the Legislature and every judge in the Commonwealth may receive his salary prematurely, at the time fixed by law for its payment, or may be compelled to wait unduly for it; when the objects of the State's charity may receive their benefactions promptly and keep large balances in their treasuries, or be literally "starved to death," at the mercy of the Auditor General,—one can form some idea of how important the incumbent of this office may be and how far-reaching his political influence.

Suppose, for instance, that a great corporation, feeling the stress of hard times, wants its capital stock valued at \$50,000,000 less than its actual value, and can prevail upon and persuade the Auditor General to accede to its wishes. Suppose that it makes manifest \$10,000,000 of its corporate loans are held outside the State,—whether this demonstration shall be accepted, or the party claiming it be driven into expensive, tedious and unpopular litigation, depends wholly on the caprice of the Auditor General. Suppose that, when the payment of one hundred thousand or two hundred thousand or five hundred thousand dollars of corporation tax is due, it suits its management to delay payment four, six or eight months. Suppose that a local bank, which has \$50,000 of county money, can prevail upon the Auditor General to not require payment of the personal property tax to the State. Suppose a man, with a grossly inflated bill for public printing, or a contractor for state supplies has a claim of from fifty to one hundred thousand dollars, with forty per cent. profit in it, which can be quietly slipped through the Auditor General's office, or made the subject of angry contention and costly litigation in the court, accordingly as that officer may want to do his official duty or to favor a political henchman. What is not the exercise of the power and authority of that office worth when in the control of a corrupt man, who wants to enrich himself, or of an unscrupulous politician, who wields his power for the benefit of his party or his faction?

A thousand examples might be suggested, and ten thousand be drawn from actual experience, to show there is not an officer of the state government, there is not a corporation in the Commonwealth, there is not a county in the State, there is scarcely a bank from Philadelphia to Erie, that cannot be made to feel the influence and power of this office, to court its favor, to fear its frown and to dread its antagonism!

Then consider the power of what is called the "Board of Public Accounts," of which the Auditor General is the head and front! After taxes have been settled and even paid to the State, this Board has the power to re-open and to practically repay them, by giving the corporations from which they were received what is known as "a credit settlement." It often happens that tax laws are passed and taxes paid under them for years, when some legal objection is raised and the law is found to be defective, unconstitutional or incapable of enforcement. After the State has received large revenues under it, appropriated and expended them, then come the big corporations, with their claims for repayment. If the Auditor General is in a complacent mood, he and his associates on the Board of Accounts have the power, unchallenged by any court or Commonwealth's officer, to allow them. Sometimes, of course, these are just and ought to be paid. Sometimes, their allowance is a matter of gross favoritism, and such claims are taken by speculative lawyers on large contingent fees. Then it is a boon for the corporation or counsel to have an Auditor General to suit them. He can drop a hundred thousand dollars into the lap of a favorite corporation, or a fee of twenty-five thousand dollars into the pocket of a congenial counsel. The power of the Board in this respect is reviewable by no court, nor is there any check upon its exercise by any other department of the Commonwealth.

The Auditor General, State Treasurer and Attorney General alone may re-settle any account alleged to have been "erroneously or illegally settled," and, in the exercise and discharge of this duty, there is practically no limitation upon their equitable powers. They may say, in one case, that it is against the policy of the Commonwealth, and, in a precisely similar case, that the revenues of the State will admit of such a settlement, and the party that is discriminated against has no appeal.

We have thus tried to show that neither the Legislature, in its power to raise, waste or save money; nor the Governor, in his boundless rights of approving and vetoing revenue or appropriation bills, is nearly so likely to use or abuse its or his respective powers for the welfare or detriment of the Commonwealth as the Auditor General. We doubt if in any State, other than Pennsylvania, any officer has vested in him such powerful and far-reaching influence.

We direct notice to it at this time, not only that the attention of the people of the Commonwealth may be called to the importance of the office, and that they may understand the anxiety of the Republican State Ring to retain control of its unlimited authority, but that an incoming reform Legislature may consider whether or not some check and curb should not be created upon its enormous power.

Dirty Work for a Dirty Cause. From the Pittsburg Post. The Democratic National committee, from its Chicago headquarters, makes public the fact that the mail of the committee is systematically tampered with by the Republican organization through the postal department; and that a regular system of espionage of Democratic letters and documents has been established at Washington and elsewhere. The committee has proof of the opening of letters, the tampering with documents and the abstracting of Democratic documents and the insertion in their place of Republican appeals and other rascally acts impossible to excuse or palliate on the ground of accident. The campaign committee has also discovered that thousands of Democratic documents, properly addressed, have not been received and cannot be traced. Probably this is Mark Hanna's last movement, and it is to be remembered that the postmaster general

in suppressing Atkinson's anti-imperial documents assumed a power only tolerated in despotic European governments. All this is simply an extension of the censorship established in the Philippines, so that, according to General Otis, nothing should come through that "would hurt the administration." A Tale of Two Cities. From the Phila. Record. Chairman Hanna declares that the Croker domination in New York is the nearest approach to imperialism in the United States. The careless Otisman evidently forgets the friend Ashbridge, of Philadelphia. The realm of Ashbridge is not quite so populous as that controlled by Croker, but the despotism is more complete.

Subscribe for the WATCHMAN.

Spawls from the Keystone.

A number of prominent women of Milton have declared their intentions of forming a suffrage club.

Lock Haven has 1,260 pupils attending the public schools, and between 700 and 800 children of the legal age do not attend public schools.

The wages of the workmen were reduced from 5 to 10 per cent. at Joseph E. Thropp's iron furnace at Everett a few days ago.

The contract for lighting the streets with electric lights will expire shortly, and there is talk of erecting a plant to be operated by the borough of Manheim.

Finding a broken bicycle at the bottom of a steep hill near Williamsport, Farmer Amos Small searched in the bushes, and finding 15 year old Charles Smith nearly dead, took him to the hospital.

Unless a logging flood occurs before November 1, the seventy million feet of logs in the river between Williamsport and Mahaffy will have to be banded for the winter entailing an expenditure of thousands of dollars.

Henry Edgar, well known miner, died Monday night at his home at Graham station, where he has resided for a number of years. He was aged 70 years. Besides his wife he is survived by several grown-up sons and daughters.

George Marks of Barnesboro, was severely injured Saturday by falling from a chair. It seems that Mr. Marks was climbing up on a chair to do some work when the chair gave way and he fell to the floor. His back and arms were completely paralyzed.

Andrew Snyder, of Johnstown, was accidentally shot Sunday by Herman Wisbauer, at Wisbauer's home, near South Fork. The bullet entered the back at the loin and went up to the lower rib on the right side and lodged back of the kidneys.

The Sheriff of Potter county has advertised for sale the entire furnishings of the new Baptist church at Coudersport. The list of articles advertised includes the pipe organ and 300 auditorium chairs. It seems that two factions of the church are at swords' ends and the sale is the result.

Simon Saylor, while husking corn on his farm Saturday afternoon, three miles from Meyersdale, Somerset county, was struck by a load of turkey shot fired by a hunter who had shortly before raised a flock of wild turkeys. Mr. Saylor, who was mistaken for one of the turkeys, is not expected to recover.

Jo Poliakash, who quietly walked out of the Somerset county court house during the murder trial week before last, has not been heard from up to date, although several hatless men have been seen and heard of in various parts of the county. Jo's associates (there are ten of them), who were found guilty of voluntary manslaughter, have asked for a new trial.

The extensive improvements at the plant of the Graff Coal company, at Blacklick, Indiana county, are now completed. The work included the construction of a lateral railroad from the opening of the mines to the railroad and the building of a bridge across Blacklick Creek at a cost of \$25,000. The company expects to ship its first coal to the market this month.

A real "Jack the Kisser" has made his appearance in Irwin and his regular haunts are in the upper end of the town. During the past week several women have been accosted, and women in that portion of the town are becoming afraid to venture out of their homes at night. A sharp lookout is being kept for the man and if caught a lively experience is promised him.

The large brewery in Carrolltown belonging to Henry Swope, was totally destroyed by fire Friday afternoon. The fire was discovered about 2 o'clock and in two hours the brewery was a total loss. The damage amounts to \$15,000—\$10,000 on the brewery and \$5,000 on an ice machine which it contained. The former was insured for \$7,000 and the latter for \$3,000. The fire was discovered at the back of the building. Its origin is unknown.

The plant of the Lock Haven Wood Working company, together with the old mill plant, were destroyed by fire Saturday afternoon. The flames were first discovered in the sawdust and shavings under the floor near the eastern end of the building. As the building was of frame and all the material for handles was dry, the flames reduced the building to ashes in a very short time. The estimated loss is placed at \$10,000. The insurance is \$5,000.

Mrs. Louis LaChance, of Houtzdale, fell through the covering of a dry well, fourteen feet deep, last Saturday week and came near dying of suffocation. She was not badly hurt by the fall, but the well was so full of gas that it almost proved the death of Mrs. LaChance and her rescuers. It was not until the fourth man was let down into the well that it was possible to get a rope around the unfortunate woman and draw her to the surface. She remained unconscious for some time after she was rescued, but after vigorous efforts was finally brought to.

While a party of men were at work on the Pennsylvania railroad at Pomeroy, last Friday, a large earthen jar of gold coin was unearthed, and for a time the wildest excitement prevailed among the men who fell over top of one another in their efforts to secure the shining pieces. Changes are being made in the line of the railroad at Pomeroy, and one of the large steam shovels raises the earth from the bank and deposits it in gondola cars to be hauled away. The huge shovel had scraped up the stump of a tree which was placed on the car. The shovel was then swung back to scoop dirt from where the stump stood. In swinging the shovel to the car the scoop came in contact with the side of the car and a huge earthen vessel fell from the scoop to the railroad track and was broken in pieces. The workmen heard the crash and upon looking around saw a pile of round, glittering pieces of metal on the track. There was a grand rush and soon men were falling over top of each other in their eagerness to get some of the metal, which proved to be Spanish gold coin. Some of the men secured as much as \$100 in gold pieces. The report of the finding of the money spread rapidly and a short time a number of people were on the scene and every foot of earth within half a mile was turned by the throng with the expectation of finding more gold.