# INAUGURAL ADDRESS

OF

# JOHN H. GEAR,

GOVERNOR OF IOWA,

DELIVERED BEFORE THE

TWO HOUSES OF THE GENERAL ASSEMBLY.

JANUARY, 17, 1878.

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# INAUGURAL ADDRESS.

SENATORS AND REPRESENTATIVES:-

In entering upon the duties of chief magistrate of the State, I recognize with gratitude the high honor conferred upon me by my fellow-citizens, trusting that time will evidence to them that they have not misplaced their confidence.

All the political parties in the state have adopted resolutions in favor of the remonetization of silver, which would lead to the inference that a majority of our people are united on this question; and it is to be hoped that congress will at an early day restore the coinage of the silver dollar and make it a legal tender for all debts not otherwise now provided for by law. Gold and silver have been the "money of account" of the world for ages, and should be maintained as such. The effect of the restoration of silver to its former position in the finances of the nation will, in the opinion of many of the best writers on finance, advance its value and at the same time slightly depreciate the value of gold, and thus each would have a compensating effect on the other, and both metals be brought to a uniform value. Remonetization of silver, in my opinion, would have a marked effect in helping to smooth the difficulties which in the minds of many now seem to surround the resumption of specie payment.

During the war and under the financial exigence of the times it became necessary in the wisdom of congress for the government to resort to the issue of paper money called "Greenbacks." This paper money was issued only under the war-power of the government, and

it was made a legal tender for all debts with the exception of duties on imports and interest on the public debt. The legal tender act was really in the nature of a forced loan from the people. Since the day of the first issue it has never been at par with coin, owing to the fact that the government has not been in a financial condition to pay that which the paper promises called for, to-wit: "dollars." In 1875, congress enacted a law naming January 1, 1879, as the time at which the government would redeem in coin its paper promises. Whether it was wise or not to name a special date by statute for resumption, or to leave it to the laws of trade to accomplish, is not now the question; but the passage of the resumption act itself was an evidence of the honest intention of the government to keep its promise by making its paper issues convertible into coin at the pleasure of the holder thereof. Political parties have been organized in this and other states with a view to have the government continue to issue irredeemable papermoney to an unlimited amount, a policy, which if carried out-judging the future by the past history of nations which have resorted to this kind of currency-could not but result in bringing financial ruin on the nation. The large majority of the people of Iowa have declared by no "uncertain sound" their intention to stand by the policy of resumption, and have evidenced by their votes their faith in good money and in the ability of the country to resume specie payment at an early day, and also their belief that, resumption once accomplished, coupled with the remonetization of silver, the nation will enter on a new era of confidence and prosperity.

## STATE FINANCES.

My predecessor has called your attention to the specific condition and wants of the respective institutions of the state. The generous maintenance of our charitable and other institutions during past years is ample evidence that they will receive from you the careful consideration that they require. The charitable, educational, and penal institu-

tions of the state are growing "pari passu" with the state itself, and must of necessity call for the appropriation of large amounts of money for their support. While it is an imperative duty on the part of the state to support all her institutions in accordance with their necessities, yet strict economy should be the rule, and appropriations should be made only to meet their actual wants. It should also be borne in mind that, owing to the shrinkage and general reduction of values during the past few years, and the near approach of our paper money to par with coin, a dollar to-day has a much larger purchasing power than at any time since 1862. It would therefore seem that small appropriations will be equal in their results to the large appropriations of former years, and it is an absolute necessity that our state finances should be in accordance with the new adjustment of the monetary affairs of the nation. Past general assemblies have appropriated large amounts of money that were necessary for the erection and maintenance of our charitable institutions, for carrying forward towards completion our new capitol, and for the expenses of the state. The appropriations amounted to more than the receipts of the state treasury from taxes and all other sources of revenue; consequently your treasury has not at all times been in funds to meet the warrants drawn thereon by the auditor of state, in pursuance of the acts of the general assembly. The state treasurer has been compelled to indorse the warrants "no funds," which causes them to bear interest at the rate of six per cent. per annum. The result is that the state is now, and has been for some time, paying interest on quite a large amount of money. The fact that warrants are not paid on presentation causes contractors, and all others who do work or furnish supplies to the state, to charge higher prices than they otherwise would, in order to reimburse themselves for any loss that they might be subjected to by virtue of discount on the warrants, which, of course, is a direct loss to the state. Aside from the doubtful constitutionality of incurring a floating or any other kind of debt, except in the manner and for the purposes prescribed by the constitution,

it should be the policy of a state which has such vast resources at her command as has Iowa, to be at all times in a financial condition to honor, at sight, all demands made on her treasury in pursuance of law. The state taxes during the past twenty-three years have averaged but a trifle over two mills on the dollar-and this on a very low valuation of property-and during this long term of years have been less than those of any other western state. This, coupled with the fact that the state has, comparatively speaking, no debt, has doubtless contributed largely to her growth and rapid increase of population, and it is most desirable for her prosperity and reputation abroad, that taxation should be restricted to the lowest possible point compatible with her actual necessities. I recommend that all appropriations of an extraordinary character, such as embrace the construction and repairing of the state buildings, should be drawn from the state treasury in installments from time to time, as the work on such building progresses, and then only on the filing of proper vouchers with the state auditor, that the amount drawn previously had been expended in accordance with the law appropriating the same. In view of the fact that the state has, falling due in 1881, \$300,000 of "war and defense fund bonds," it will be well for this general assembly to consider the propriety of providing funds in order that the state may be in a position to honor her obligations at maturity. To do this and to meet extraordinary appropriations,-if any are made,-it will be necessary to authorize the executive council to increase the tax levy above two mills on the dollar, the maximum now allowed by law.

## TRANSPORTATION.

Iowa being almost exclusively an agricultural state, and in fact, in the growth of some of the cereals being and is the leading state in the nation, the question of the transportation of her products is a most important one to all her people. In the early history of the state, the great rivers which form her eastern and western boundaries were the only avenues by which our products sought a market. Within the past twenty years a system of railways has been constructed which penetrate nearly every county in the state. Owing to natural obstructions in the channel of the Mississippi river, and its virtual closing during the late war, our products have of necessity been carried to market by rail alone. By the recent completion of the canal around the rapids at Keokuk, and the apparent success of the system of jetties now in operation at the mouth of the river, whereby ships of large draught have easy access to New Orleans, thus giving additional facilities for the transportation of our products to foreign ports, it is plain to see that in the near future a healthy competition must arise between the railway and river systems of transportation, the benefits of which must accrue directly to our grain-producing interests, and it is to be hoped that congress will at an early date stimulate this competition, by a sufficient appropriation of money, to cause the further improvement of the navigation of the Mississippi, and its tributaries, in order that Iowa, and all the states bordering on this great highway, may have the largest benefits possible to be derived from additional facilities in the transportation of their products.

The fifteenth general assembly enacted a law controlling the rail-ways of the state in their charges for the transportation of passengers and freight. The constitutionality of the law has been affirmed by the highest court of the nation. The principle of the control of rail-way and all other corporations, created by and under the statutes of the state, is based on a natural law and pertains to the state in her sovereign capacity, and cannot be surrendered. It therefore follows that the application of the principle becomes simply a question of policy. Rail-way and all other corporations engaged in public business should be controlled by statute in such manner as shall work for the best interests of both corporations and state. While corporate property should be rigidly compelled to bear the same burden of taxation and responsibility to law that the state exacts from the individual, it is also en-

titled to equal protection, in all its rights, to that which the law accords the citizen. It should be the settled policy of the state to encourage by wise and liberal legislation the investment of foreign capital within her limits-which is so much needed for her growth and development in the future,-and all legislation that may affect this future should be wisely considered. Every dollar of such capital, whether invested in railways, manufactures, or any description of corporate property, is an addition to the taxable property and permanent wealth of the state. The tariff law has been in operation something over three years, and ample opportunity has been given to observe its operations, and it therefore devolves on this general assembly to remedy its defects, if any have been developed. Some portions of the state favor the law as it is, while other sections ask for its modification on the ground that their products are taxed more for transportation than they should be, and that the law in its present form is a discrimination against their interests. These different opinions in regard to the law are the results of its workings in different localities, and this condition of affairs demands your careful attention as to the proper remedy. If on examination the law should be found to work injustice to any portion of the state, it ought to be modified, or some different application of the principle of control should be resorted to, in order that the producing interests of the state, which are the basis of her prosperity, may be harmonized and protected.

It is believed by many, and experience in other states would seem to give ground for such belief, that inasmuch as the decision of the supreme court of the United States has given the state absolute power in this matter there would be no necessity for the state to fix inflexible rates, and that the knowledge on the part of railway corporations, that the state may unrestrictedly exercise this power at any time, would insure on their part justice to the people and a ready obedience to the natural laws of trade. It may be well to consider whether it would not be for the best interest of the state to establish a board of commis-

sioners—as has been done advantageously in other states—whose duty it should be to collate statistics in regard to the cost of constructing, maintaining, and operating railways, with authority to examine into the causes and nature of accidents, to receive, record, and report grievances, abuses, and violations of law, and to make recommendations in relation thereto. By this method future general assemblies would have reliable data on which to base legislation.

#### EDUCATION.

Our system of public schools is justly the pride of all, and their efficiency should be promoted by all proper means within our power. The large amount of money for their support, which is cheerfully paid by our people, year by year, evidences the interest taken by them in the cause of education. While the average daily attendance on the schools throughout the state is large, yet it will be found on examination that a large percentage of children do not attend school at all, and it is to be feared that many of these are growing up in ignorance, which "is near akin to vice." The success of a republican form of government, such as we are blessed with, rests in a large degree on the intelligence of its citizens. Recognizing therefore the broad fact that the education of all the people is for the best interest of the state and nation, has not the time come for Iowa, which has ever been foremost in fostering educational interests, to adopt some system of compulsory education? This might, as an experiment, be applied to children under fourteen years of age, who should be required by the law to attend either public or private schools, at the option of their parents, and the enforcement of the law might as part of the experiment be left to the local school-boards of the respective school-districts. Compulsory education has been in operation in Germany for many years. In 1870, England adopted a "limited" compulsory education act, which left its enforcement to the local school-boards. In four years the law had been put in operation by the school-boards representing

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forty-six per cent. of the population of that country. Two years later, the act was made a general one. Scotland adopted compulsory education in 1872. The operation of these laws in Germany, England, and Scotland, is reported as being eminently successful.

In our own country, Massachusetts, Connecticut, New York, Maine, New Hampshire, Michigan, Texas, Nevada, California, New Jersey, and Ohio have adopted laws in regard to compulsory education. In all these states it has been found to work beneficially, and the opposition which at first was manifested against the new system has ceased, and the better its workings are understood the more it is growing in public favor.

The state university is recognized by the constitution, and is under the guardianship of the general assembly. Its growth has been commensurate with the growth of the state. In order to enable it to fairly fulfill its part as an important factor, in our grand system of popular education, it should be supported by the state with generosity, and a due regard to its increasing necessities. Its revenues are not equal to its requirements, and it is compelled to come before the general assembly at each session as a suppliant for pecuniary aid. The uncertainty of the amount of the appropriations at the hands of the general assembly renders it impossible for the board of regents to make any definite and comprehensive plan that would under more favorable pecuniary conditions enable them year by year to develop the university to its largest degree of usefulness. A permanent appropriation of a certain sum annually-even if of a small amount-would accomplish this object and at once place it on a basis that could not but add materially to its efficiency, and in the course of a few years make the university what it was intended to be-the cap-sheaf of our educational system.

#### CITIES.

The administration of the affairs of our cities demands your consideration and attention. While they are, comparatively speaking, yet in their infancy, it would be wise to adopt some uniform system of safeguards for the protection of the tax-payers, in order to prevent the loose and careless expenditure of municipal funds of which the cities in some of the older states are now experiencing the bad results. It is already a cause of general complaint by the tax-payers of our cities that their municipal affairs are conducted too loosely and without due regard to their interests. Many of the cities are already hampered in their growth by debts incurred for various purposes, which are increasing in amount year by year. No city should be permitted to contract an interest-bearing debt, without first submitting the question of incurring the same to a vote of the tax-payers, and it should be required that a specific fund should be provided to meet the interest, and a sinking fund to pay the principal of such debt at maturity; and more stringent statutes than we now have should be enacted forbidding municipal authorities from contracting floating debts predicated on an anticipation of their revenues. It is a common occurrence that improvements of streets are authorized, and contracts let, involving large sums of money, which do not benefit the citizens at large, but are a special benefit to a few. This is, perhaps, owing to the fact that the administrative affairs of our cities are vested in boards of aldermen, usually composed of from six to fourteen members, who are the immediate representatives of smaller municipal subdivisions-a fact frequently resulting in combinations which are prejudicial to the general interests. It is a well-grounded conviction in the minds of many that the financial interests of the cities of the state would be better subserved by placing the management of their affairs in boards of commissioners-elected at large-somewhat similar to the system under which the affairs of our counties are so well managed, and I suggest that a commission be appointed to report to this or the next general

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assembly the propriety of placing the cities and towns of the state under some more simple, uniform, and economical system of municipal government than we now have.

#### COURT EXPENSES.

I call your attention especially to the fact that the expenses attendant on and incident to our court system are large and increasing annually to a degree that causes serious apprehension and complaint on the part of the people. This demands your careful consideration, that remedial action may be taken which will give relief to the tax-payers.

#### ROADS AND HIGHWAYS.

It is thought by close and competent observers that the present method of managing our public roads and highways is neither efficient nor economical, and that the time has arrived for a change. That the general condition of these thoroughfares is far from being satisfactory will not be denied, nor is it a matter of doubt that the losses imposed upon the community, by reason thereof, are enormous. The closing month of the year just past, during which an almost absolute embargo was laid on traffic, has furnished a vivid illustration of the importance of this subject, and its earnest and thorough consideration recommends itself.

#### CONVICT INSANE.

Attention should be given to the report of the superintendent of the hospital for the insane at Mount Pleasant, in regard to the keeping of insane convicts in that asylum, and to the bad results therefrom, for the reasons given in that report. It is clearly evident that this is detrimental to the other inmates of that institution. A suitable building could be erected on the asylum grounds at a small expense to the state, in which the insane convicts would have the requisite medical attention, and the other patients be spared the disturbing and demoralizing influences they are now subjected to.

#### PENITENTIARY.

Section forty-six hundred and sixty-seven (4667) of the code permits the wardens of the state penitentiaries to draw from the general support fund of the prisons fuel, lights, and provisions for their families and guests. This is liable to abuse, and should be amended by paying the wardens a certain sum per annum in lieu of all allowances.

#### FEES AND PERQUISITES.

The custom of allowing state, county, or city officials fees as part of or in addition to their salaries is a most pernicious one, and is demoralizing in its effects on the receivers thereof. I recommend that all fees accruing to any officer, above the office of constable, be paid into the treasury entitled thereto, and that the state, county, and city officials be paid a fixed sum as salary.

#### POLICE.

Section thirty-nine hundred and one (3901) of the code in regard to the sale of coal-oil and burning fluids should be amended. A large proportion of the coal-oil sold in the state is of the lowest grade manufactured. Many of the accidents resulting from the use of this article are directly traceable to the fact that the low grades of oil are highly inflammable at a comparatively low temperature. The sale of all coal-oil of less than one hundred and thirty to one hundred and fifty standard fire-test should be prohibited.

A statute should also be enacted regarding the doors of buildings used for schools, churches, and other public assemblages, which doors should be required to be constructed to open outward, in order that in case of fire egress from the same could be safely and speed accomplished.

#### MEDICAL.

I have been earnestly requested by the medical profession from different portions of the state to call your attention to the necessity of

establishing a state board of health, such as our neighboring states have in operation, whose duty it should be to pass upon the qualifications of practicing physicians, in order that the people may be protected from empiricism.

#### BOARD OF CHARITIES.

I suggest that a state board of charities be established, whose duty it shall be to have supervision over the constructing and repairing of all the state buildings used for charitable purposes, with authority to examine into their condition from time to time, and report the same to the general assembly at each session, coupled with such recommendations regarding their management and necessities as may in their judgment be best for the interest of the state and the institutions. The reports of the board would be found to afford a sure guidance for the general assembly on which to base appropriations. The organization of a board of this character would relieve the general assembly from the necessity of appointing at each session "visiting committees" to inspect the state institutions. The states which have adopted this system have found it to work beneficially and in the interest of economy.

During the past year a kind Providence has rewarded the labor of the husbandman with bountiful returns, and the statistics show that the state has an immense surplus of grain and other products for export, the avails of which, even at the present low prices, must tend to the prosperity of all her people. The growth and development of the state since her admission into the Union has been onward and upward in a constantly increasing ratio. In the short space of thirty-one years her population has increased from less than one hundred thousand until to-day nearly one and a balf million of free people are protected by her laws. Favorably situated in the valley of the Mississippi and on the great highway from ocean to ocean, with a rich and

fertile soil, coal and other valuable minerals underlying large portions of it, a salubrious climate, railways penetrating nearly every one of her counties, thus affording facilities for the transportation of her products, and in addition to these natural and material advantages, possessing an unsurpassed system of free schools; Iowa offers extraordinary inducements to those seeking new homes, and must eventuate in making her at no distant day the center of population and seat of empire of the American nation. Your legislation should be broad and comprehensive, having in view not only the necessities of the present but also the prosperity and happiness of the millions who will succeed us.

Senators and Representatives: the people of this commonwealth have confided to you the legislative department of the state; to me they have intrusted the duties of the executive office. Both of these positions involve high and solemn responsibilities. Let us endeavor, by the blessing of Divine Providence, to fulfill our respective duties in such a manner that upon the laying down of our insignia of office we may have a comforting assurance that we have dealt justly by all, and benefited those for whom we have conscientiously worked, and that to each will be said "well done."

JNO. H GEAR.