ment to the hairdresser had the following instructions on it:—

Mr. VALENTINE—Mr. Stokes wants you to come down to the Tombs in Centre street to-day to shave him and dress his hair. Bring his traps with you. Come to-day, sure.

READY FOR THE INQUEST.

As soon as Stokes had dressed himself he was informed that the Coroner's inquest would be held in the Court of Special Sessions and that the jury were in waiting to hear the evidence. Mr. Stokes manifested no surprise at the tidings, and said he was ready and anxious to present himself in Court. He was then helped on with his overcoat and left the cell immediately afterward. Accompanied by two keepers he crossed the prison bridge and entered the Court in a quiet and self-possessed manner.

**Meeting of Erie Railroad Employes at Buffalo.**

BUFFALO, Jan. 8, 1872.

At a large meeting of the employes of the Erie Railway shops, held in this city at noon to-day, feeling addresses were made expressing the indignation of the employés at the foul assassination of James Fisk, Jr. Resolutions were passed sympathizing with the family and friends of the deceased and acknowledging his uniform kindness to employes of the road and his usefulness to the travelling community.

**Respect for Mr. Fisk at Albany.**

ALBANY, Jan. 8, 1872.

The flag on the Delavan House was at half mast to-day, and the engines on the Delaware and Hudson Railroad were draped in mourning for James Fisk, Jr. The sentiment prevailing here is one of indignation at the cowardly murder, though but little regret is expressed at the loss of the life of the deceased.

## "THE FLIGHT OF CESPEDES."

**Spanish Assertions and Cuban Declarations—Statements by Vice President F. V. Aguilera and Mrs. Cespedes.**

There was published in the HERALD of yesterday a telegraphic despatch from Havana giving, on the declaration of the Spanish authorities there, an account of the escape of President Cespedes from Cuba, on the 14th of October last. As the despatch was of marked consequence, touching the prospects of the Cuban struggle against Spain, a reporter was sent to visit and inquire of the Cuban revolutionary authorities here as to their latest information in regard to Cespedes and of the other noted men engaged in the Cuban cause. The first person visited was

VICE PRESIDENT FRANCISCO V. AGUILERA,

who is now in this city as general agent of the republic of Cuba, and who was free in his expressions as to why the erroneous declaration had been made, and in explaining why any one in Havana and seeking information from official sources there would find it impossible, at present, to obtain any accredited contradiction of any important declaration the Spanish authorities might deem it in their interest to make. They have, he says, control of nearly all the avenues of news there, and only let pass to the inhabitants what they choose to make known.

In the present instance, he says, the Havana authorities having become very much concerned because of the reports of preparations here for

WAR WITH SPAIN,

on account of the late atrocities in Cuba, some such declaration was deemed necessary. It was therefore made, even to details, and given as official information, with all the precaution and gravity usual to "dignity" there. That the declaration was wrong he knew not only from his own correspondence, but from the lips of an officer recently arrived and commissioned as his adjutant, a person who had been adjutant to President Cespedes, and who only left him for service here, long after the date fixed as that of the departure of Cespedes from the revolutionary districts of Cuba. It was also known, positively, to be a designed misstatement of facts.

THE WIFE OF PRESIDENT CESPEDES

is now in this city. This lady's assurance of the erroneousness of the declaration is, as may be stated, (for she does not care to appear in print over her own signature), that she has had communications from her husband long since the time named for his escapade, and knows not only that he did not escape at the time declared by the authorities in Havana, but that he had no idea of attempting an escape, and that he is in Cuba now attending to his duties as ever before. The escape of some of his officers to Jamaica, not Curacoa, as believed in Havana, and from there to Kingston and the city of New York on business, in aid of the cause, was the movement upon which the story of the escape of Cespedes was undoubtedly based.

**A Card from Mr. F. V. Aguilera.**

TO THE EDITOR OF THE HERALD:—

SIR—In view of the telegram from Havana published in the papers of this date, in which it is asserted that President Cespedes had left the island of Cuba on the 14th of October last, I beg to state that I am in receipt of communications from Cuba signed by him and dated on the 7th of November last. Colonel Manuel Aguilera, who brought the despatches referred to, left the President at the headquarters of the Sanjago de Cuba division of the Liberating Army on the 9th of November last. I am likewise in receipt of despatches from the agent of the republic in Kingston, Jamaica, up to date—9th ult.—in which no mention is made of the arrival there of President Cespedes. Respectfully,

F. V. AGUILERA,
General Agent of the Republic of Cuba.

NEW YORK, Jan. 8, 1872.

## "SINK THE TRACK."

**How the Ball is Kept Rolling—Another Meeting on the Subject and the Various Plans Proposed—Interviewing Commodore Vanderbilt.**

The ball that has been set in motion relating to sinking the Fourth Avenue Railroad track above Forty-second street is still kept vigorously rolling, and the evident determination is to agitate the subject until the result aimed at is accomplished, or it is proved impossible to do so. Pursuant to this plan of keeping the thing moving, the committee of twenty-one appointed at the late public meeting met last evening at the East Side Association Hall, corner of Eighty-sixth street and Third avenue.

The meeting was organized by appointing Mr. Wheeler R. Peckkam Chairman, and Mr. Ashey Barnett Secretary. On taking the chair Mr. Peckkam very sententiously observed, that they had met to see what they could do with Commodore Vanderbilt, and in case they could do nothing with him to see what they could do without him. Ex-Judge Beebe said he was exceedingly pleased with the frank manner in which Commodore Vanderbilt received him as a committee of one appointed to call upon him. The Commodore said that he had the interests of the public of New York as much at heart as any one living in the city, and expressed a wish to spend the short time of life left him in helping forward any scheme calculated to benefit the city. His plan was that he select one engineer, that the people anxious to change the track name another engineer, and that these two select a third, and the three agree upon the best possible plan to meet the public wishes. He moved that a committee of one be appointed from each association to wait on Commodore Vanderbilt and take steps toward the appointment of a competent board of engineers.

The motion of Judge Beebe was put and carried, with the subsequent understanding that the president of each association appoint his representative, and also that the Chairman and Secretary of the present meeting be added to the committee.

Mr. CRARY, who presided at the late public meeting, suggested that the committee agree definitely upon some plan before seeing the Commodore, and leave it optional with him to accept it or not, as he pleased.

Judge BEEBE insisted that it would be bad policy to ruffle the old Commodore. The latter felt disposed to take a conciliatory part, and it was best to meet him half way. His own view was that this whole thing could be amicably and satisfactorily arranged in a very short time. It would not do, however, to get the back of the Commodore up. One great point they wished to accomplish was rapid transit, and they should not lose sight of this.

Mr. DAVID S. KNAPP insisted that a feasible plan was rather too broad. There were several feasible plans, each of which he described.

Mr. FITCH thought the best way to get at the bottom of the thing, as far as the duties of the committee were concerned, was to carry out the spirit of the resolutions adopted at the late meeting. His advice was that the committee tell the Commodore frankly that the people wanted the track sunk and arched over. Engineers were productive of plans, and they move slowly. This was a matter that required immediate action. They should go there with confidence and self-respect, and not in an obsequious manner. They had rights, and Commodore Vanderbilt should respect them.

Mr. CRARY offered a resolution to the effect that in the view of the committee the Fourth Avenue Railroad track should be sunk and arched over from Forty-second street to Ninety-seventh street, and above this point that an elevated railroad should be built to Harlem River. This resolution was adopted, with an amendment referring to rapid transit.

Several other speeches followed, in which all the phases of the matter were fully discussed—the questions of rapid transit; of laying foretracks; of the franchises enjoyed by the Harlem Railroad, and of the road, as now constructed, being a mantrap. Among the speakers was the representative of a German association, who detailed a recent interview with Commodore Vanderbilt. He did not give as favorable an account of his visit as Judge Beebe. He said that the Commodore was only seeking time to accomplish purposes of his own, and that he was quite anxious to have them present a bill to the Legislature on the subject.

The sub-committee referred to above are to call upon Commodore Vanderbilt on Monday.

# CONGRESS.

## SENATOR SCHURZ RISES TO EXPLAIN.

**Categoric and Caustic Reply to a Slanderous Article—Seventy-two Weeks on the Stump at Three Weeks' Wages.**

**Pile and Brazil, Jussen and Chicago, the General Orders and General Grant.**

**Senator Fenton on Custom House Abuses.**

**Bill Day in the House—Refusal to Repeal the Income Tax—Cox and Cuba.**

SENATE.

WASHINGTON, Jan. 8, 1872.

The Senate met at the usual hour and, after the usual preliminaries, proceeded to business.

SENATOR SCHURZ'S PERSONAL EXPLANATIONS.

Mr. SCHURZ, (rep.) of Mo., rose to make a personal statement, and had read from the Clerk's desk an article making certain charges against him, first published, he said, in the New York *Times*, and subsequently copied into many other papers. Mr. SCHURZ said:—

Mr. PRESIDENT—I desire to make a few remarks upon this article. In the first place, because the paper which published it is reputed to be the special mouthpiece organ of the national administration, and in the second place, because this attempt forms part of a systematic warfare which has been carried on for some time on some members of this body. The paper, having recently announced that it is going to continue its attacks, I shall go over the charges one by one and exhibit them in their true light. First, it is asserted that in 1859 I was nominated for Lieutenant Governor in Wisconsin, spurned the nomination contemptuously, and refused to support the ticket nominations by the Convention. That I declined the nomination is true, although, certainly, without contempt; but the other charge is a falsehood. I not only did not refuse to support the ticket nominated by the Republican Convention, but, after having rendered some aid in a campaign in Minnesota which elevated my friend from that State, Mr. Ramsey, to the Governorship, in 1859, I returned to Wisconsin and spent three weeks in canvassing the State for the then nominee for Governor (the late Postmaster General), Governor Randall, having several joint debates with the democratic candidate for the Governorship; and I will add in connection with this that another slander, scattered about by the New York *Times* and several other papers, that I had actively used my influence against the election of Mr. Washburne, the republican candidate for Governor of Wisconsin, last fall, and in promotion of the interests of his opponent, Mr. Doolittle, is equally false in every sense.

The second charge is that in the national campaign of 1860 I refused to make any speeches, unless I was paid $250 a week, and then an additional sum by the local committees, varying from $50 to $100 for each speech. This is a falsehood again. I commenced canvassing the United States in that campaign on the 1st of July, having already made several speeches previously, and continued till the day of election, the 6th of November, with the exception of about ten days, when I was utterly broken down by fatigue and had to take some rest. I spoke in the States of Wisconsin, Illinois, Missouri, Indiana, Ohio, Pennsylvania, New York, New Jersey and Connecticut; travelled a great many thousand miles, and made, if I remember correctly, between one hundred and sixty and one hundred and seventy speeches, and when I had returned home from these labors I found that all the compensation I had received for my services fell quite perceptibly short of my actual expenses, railroad fare, and those incidental outlays connected with travelling of that nature. I, moreover, having given myself entirely up to the labors of the campaign, completely neglecting my private affairs—I found myself surrounded by disagreeable embarrassments, which resulted finally in painful sacrifices and I have never felt any pride or pleasure in that. The charges me with I should have overcome those embarrassments easily. I do not hesitate to say, however, and I refer to this because mention has been made of this subject in debate in the Senate, that as a prudent man I ought to have done something like that which the *Times* charged upon me, although, of course, in a more moderate degree, for I believe that gentlemen may be expected to go out at their own expense and make a speech now and then in promotion of a political cause; but when they are called upon to go from campaign into campaign year after year for several months at a time, utterly neglecting their private affairs, giving themselves wholly to the work, unless they are entirely independent in fortune they cannot afford to do so without reimbursement of expenses. I will say further, that in a few subsequent campaigns, when lists of appointments covering weeks and months were sent to me I did to some extent protect myself in that respect, in a moderate way, however, while in other campaigns I neglected even after my previous experience to look after my private interests.

Moved by curiosity, after having read the *Times* article, I undertook to figure up the time I had spent in public speaking for the republican cause since 1860, and I found it to be from seventy to seventy-two weeks, or about a year and five months, and, adding up also all that I received from committees during that whole time, I find that it amounts in the aggregate to less than a popular lecturer will earn in three weeks. I mention this subject merely as a very humiliating one, because it shows the meanness of the warfare which is carried on against certain memoers of this body. It is humiliating to make such a statement, but it is still more humiliating that a paper, the organ of an administration which stands at the head of a party, that has been built up in its power gradually and laboriously by just such labors as those in which I, with many others, were engaged, should make such a base misrepresentation.

The third charge is that when I returned from the Spanish mission I asked from Mr. Lincoln a major general's commission in the army and threatened him if he would not give it. This is a falsehood. Again, I did not ask of him a major general's commission when I resigned the Spanish mission, but he conferred one as brigadier in consideration. The assertion which I find in this article in quotation marks, that I threatened I would at once withdraw my 200,000 Germans and oppose the administration, is so supremely ridiculous, it is so childish an absurdity, that I do not think it requires any serious comment.

The next charge is that going to Missouri I assumed at once the leadership of the extreme radicals—nay, a radical of the most proscriptive type. This is a falsehood again, for it is well known that in the National Convention of 1868 I had the honor to introduce the resolution in favor of general amnesty.

The next charge is that I took it upon myself to defame Mr. Henderson before the people of Missouri and to destroy their confidence in him, so that I might be elected to the Senate. This is a falsehood again, and it is well known that Mr. Henderson's defeat at that time was owing to his attitude in the impeachment trial as the public then stood.

The next charge is that in 1868 I was a delegate to the Chicago Convention and went there with revolutionary intent. What that means I do not know exactly; but one thing I do know, that for my action in that Convention I was highly praised by the New York *Times*.

The next is that in the early days of the President's term I was one of the most persistent bores in Washington for appointments in the civil service. If that were true then the President must have had a particular liking for being bored, for I remember very well a time, during the early days of the administration, when I met him outside of the White House, and he asked me very kindly why I did not come to visit him more frequently. It is further stated that in one case I advocated the cause of a citizen of Missouri for a prominent position who was entirely incompetent and unfit to discharge the duties of a great position. I suppose this refers to the case of General File, who, having been a member of Congress, was first presented for the Post Office at St. Louis, then for the Pension Agency at St. Louis, by the delegation from Missouri; then nominated for Minister to Venezuela, and then nominated for the mission to Brazil. When the Senate declined to confirm his appointment I did, to a certain extent, support Mr. File for some of those nominations. I did it with the delegation from the State of Missouri, with the exception of one or two members. Being a young Senator, I had indulged somewhat in the idea that it was to some extent proper to take care of the constituents. When the *Times* says that this is one of the cases which, in my eloquent lectures on civil service reform, I might mention, giving a detailed history of them, I beg to say that is just the thing which I am doing, for whenever I do speak on civil service reform I give as one illustration of the absurdities of the system and of the curious consequences to which it may lead the case of the gentleman who was presented for a post office, for a pension agency, for a Minister Resident's place, for a Minister Plenipotentiary's position, then landed in the Governorship of a Territory, and then was taken out of that to be put in the Minister Resident's place for which he was originally nominated, and I always mention my personal connection with the case. But considering that recently General File was appointed by the President for the position of Minister Resident in Venezuela—this time certainly without any suggestion or solicitation on my part—I beg leave to say that if that gentleman be entirely unfit for public employment, as the *Times* asserts, it is the President who ought to bear the reproach and not I; and I might suggest to the administration that they be a little more careful in the selection of their organs and instruct them to abstain from indiscreet statements.

The last charge is this:—"General Schurz pressed upon the President the appointment of his brother-in-law, Mr. Jussen, of Chicago, as Collector of the Chicago district." This is a falsehood again. I never pressed upon the President or anybody else that appointment, as my friend from Illinois, who sits by my side (Mr. Trumbull), will distinctly recollect. Mr. Jussen was originally recommended, without my knowledge of anything about it, by a delegation coming from Chicago and by the Representative of his district, Mr. Judd. These gentlemen came to me with the request to go to the President and press his appointment. I positively refused, but after urgent solicitation on their part I at last consented to endorse their paper, with an additional remark to this effect, that the large German republican element of Chicago was entitled to consideration; that I had frequently been called upon to aid the republicans there, and I could testify to that fact. This was my whole connection with the case; and later, when a rumor spread through the newspapers that Colonel Jussen was to be removed, the President expressed himself to a friend in conversation to the effect that he had never known that there existed any connection between Mr. Jussen and myself; but I asseverate that I never spoke to the President about this appointment in a single instance, nor to the Secretary, nor to the Commissioner of Internal Revenue, and absolutely refrained from pushing it in any sense, just because Mr. Jussen, a very able gentleman, was a brother-in-law of mine.

I had almost forgotten one of the charges where I am again accused of having made use of my alleged influence with the German element to benefit myself by continuing in commission for a considerable time after the war. A friend had the curiosity to investigate that case, and I have now an official report from the War Department before me. The surrender of the rebel General Joseph E. Johnston took place on the 26th of April, 1865. I was then in General Sherman's army, in North Carolina. As soon as that surrender had taken place I at once applied for a leave of absence to go to Washington for the purpose of offering my resignation, and I did so, and this official report certifies that the first two resignations of major generals after General Johnston's surrender were those of Major General Franz Sigel (accepted May 4, 1865) and of Major General Carl Schurz (May 8, 1865), from which it appears that after the virtual close of the war of all the major generals in the army General Sigel and myself were the very first to resign their commissions, instead of using their alleged influence with the German element to continue in the pay of the government.

So much, sir, for these charges, and you will admit that this is, perhaps, one of the most remarkable cases of cumulative, intrepid and shameless lying that has disgraced American journalism for some time. Now, sir, why are these slanders heaped upon me? The *Times* itself states the reason. Because it alleges I have not hesitated to invent the most outrageous calumnies against President Grant, having accused him by mean insinuations of keeping up the general order system of New York for his own profit. I pronounce this another falsehood. What do they call slandering the President? Let us see what I did say and whether it can be construed as a slander. I did state that the general order business in New York was a great abuse and a system of plunder. I was borne out in that statement by the official report of the Retrenchment Committee. Was that a slander on the President? I did state that the merchants of New York had protested against it as an outrageous abuse, which is a matter of record also. Was that a slander against the President? I did state that the Secretary of the Treasury sent a commission to New York to investigate the matter, and that that commission reported against it, which is a matter of record again. Was that a slander against the President? I did state that the Retrenchment Committee investigated the matter and found it to be a great abuse, and reported in favor of its abolition, which is a matter of record again. Is that a slander upon the President? I did state that the Secretary of the Treasury had written to the Collector of New York two letters pronouncing against the abuse and urging that it be done away with. This is a matter of record again. Is that a slander upon the President? Then I drew a conclusion, and I ask whether there is any member of this body who will say that it was not a most natural, nay, a most imperative conclusion, that if, in spite of the remonstrance of the merchants of New York, in spite of the reports of the investigating committees, in spite of the letters and pronounced opinions of the Secretary of the Treasury, that abuse was still kept up, as it actually was kept up, then there must be a power stronger than a decent respect for public opinion and stronger than the Secretary of the Treasury himself, to sustain it; for if that power was not stronger than a decent respect for public opinion the abuse would have succumbed to the remonstrances of the mercantile community of New York, and if that power had not been stronger than the Secretary of the Treasury the abuse would have succumbed to the adverse opinion of that official. I asked the question, "Who and where is that stronger power?" I asked the question—I did not answer it—and I respectfully submit that the gentlemen who indulge in the pitiable business of villifying the Senator from Illinois and myself for asking it have given their slanders furnished an answer to it that will be satisfactory to the country. I believe that when nothing else can be brought up against those who denounce the abuses of the government than personal vilification the country will understand the reason.

Thus, sir, I have shown you the character of the statements contained in the *Times*, and, as to the character of those who have invented and propagated them, the Senate and an intelligent people may form their opinion for themselves. I will simply add that, after this, I shall not again consider it necessary to take any notice of such slanders. The *Times* and its conadjutors will have a free field; but if attacks should come as thick as locusts they will not frighten me away from that course which I conscientiously believe to be the course of honor, truth, right and duty.

SENATOR FENTON ON CUSTOM HOUSE REFORM.

Mr. FENTON, (rep.) of N. Y., called up his bill, reported from the Financial Committee before the recess, to reorganize the customs service, and addressed the Senate at length, setting forth the existing abuses. After calling the attention of the Senate to the importance of the reforms proposed by the bill under consideration, he stated its main features as follows:—

1. To change and adjust positions and compensations of the various officials of the customs service with a view to fair remuneration for labor and responsibility.

2. To adopt a uniform system of weighing and measurement of merchandise in all the important ports of entry.

3. To create a separate department in the port of New York, in which to perform the duties of weighing, gauging and measuring.

4. To give to the Secretary of the Treasury supervision of the warehouse and general order business, requiring general order warehouses to be contiguous to the wharves where goods are landed, and prohibiting officers of customs from having an interest in warehouses of any character whatever.

5. To place the business of the public carting subject to the order and control of the Secretary of the Treasury.

6. To provide for other and continuous competent and faithful officials for a given period, thus removing them in some measure from the seductive influence of partisan politics.

Mr. FENTON pointed out as the most noticeable feature of the present customs system the enormous emoluments of the collectors, naval officers and surveyors, and the peculiar and, as it seemed to him, pernicious practice by which they are obtained. Pertaining to the port of New York, he said the officers named received fixed salaries, and in addition were entitled to share in the proceeds of all fines, forfeitures and penalties collected in their several districts. From an incomplete report of the Secretary of the Treasury it appears that the United States received from these sources between January 1, 1868, and November 30, 1870, at the ports of Boston, New York, Philadelphia, New Orleans and San Francisco, the sum of $1,163,571, from which amount there was paid to collectors, naval officers and surveyors, $330,426. The records of the Commissioner of Customs show that during the fourteen months included between June 1, 1870, and July 31, 1871, the Collector at New York collected in fines, penalties and forfeitures $692,514, of which his share was $54,923.

The appraised value of goods seized at the port of New York alone during the years 1868-'69-'70 was $300,245, and Mr. Fenton thought it must appear to intelligent minds as an interesting subject of inquiry how it was possible for the government to receive from all the ports named, as the amount realized on the sale of goods by collectors, only about one-half of the appraised value of goods seized in New York alone. So complicated, he said, is the parquisite account that an abstract for any definite period gives no correct idea of the actual receipts of those officers. The receipts of the principal officers at the port of New York cannot be less than $60,000 per annum each, more than is paid to the President, all the members of his Cabinet and the Judges of the Supreme Court combined. The avidity for these lucrative positions will, in time (if it has not already), inevitably engender corruption in their pursuit and retention; the vast and ever-increasing emoluments and the enormous power of patronage must affect the unsophisticated, and every insidious device and corrupt stratagem will be employed to secure and enjoy this coveted wealth and power.

But there are reasons for the abolition of moieties which lie deeper in principle and affect more seriously the public service than even the matter of colossal perquisites of a few officials. It is the interest those officers exert in frauds upon the revenue that it is their interest to certain extent to encourage the infraction of law and to treat occasional detection with such a degree of leniency as will afford the largest official emolument, without deterring others from similar practices. Mr. Fenton continued:—

To show that this temptation has not been always withstood, I will show that from January, 1, 1868, to November 30, 1870, there were detected in the several custom houses of the country 2,911 cases of smuggling. In 159 of these the cases were settled without suit. In 1,823 cases the goods were seized and sold without suit, and the offender allowed to go free. In 731 the goods were released and returned to the smugglers upon payment of the appraised value. Fifteen were compromised, and in only 183 where the goods sold by decree of Court were the offending parties were not otherwise punished. During the same period there were 1,484 cases of fraud and crime, violations of the various sections imposing fines, penalties and punishments, as found in the Laws of 1793, 1799, 1823 and 1863, and for the importation of goods in illegal packages and undervaluations. Of this number 1,338 cases were settled without suit; in seventy-two the goods were released to the violators of the law on payment of the value thereof to the collector; eighteen cases of undervaluation, involving the payment of over one hundred thousand dollars, were compromised, and seventy-two were disposed of by decree of Court. It thus appears that out of all the cases of smuggling and other illegal and fraudulent practices upon the customs revenue which were detected during this period of nearly three years, rising to the startling number of 4,395, there were only 191 of them which ever went into Court, even for civil prosecution. This leaves 4,204, as will be seen, which were settled, compromised, or the goods disposed of by those who had an immediate interest in the proceeds to be obtained, in one way and another, by reason of the moieties which they could secure. It seems to me there can be but one answer to all this, and that answer must be an unqualified condemnation of the system which thus becomes the nursery of criminal conduct and the protector of palpable iniquity.

But, leaving another step in the examination, we are confronted with a still more striking and alarming view of the case. It has been seen that there were 4,395 instances detected in which money has been received by the collectors, and moieties paid to the officials entitled to them, during the period named. Of this number 2,911 were for smuggling and 1,484 were for fraudulent practices of various kinds. It need not say to Senators that smuggling is a crime, nor that of the 1,484 cases of illegal practices it is safe to assume that over one-half of them were also crimes against the laws of the land, subject through our criminal courts to condign punishment. But, let me inquire, what has been done with them? We have a right to expect that every one had been presented to a grand jury for indictment, and put on trial in a criminal court for the offences charged. But no such thing. If the number I find there that really had been presented to a grand jury, or, at least, but one indictment found. This happened in New York, and a nol. pros. was entered in that case, a few days previous to the payment of a large sum to the Collector.

Mr. Fenton then referred to the abuses of the special agency system as originally contemplated by the laws. The Special Agent was attached directly to the Treasury Department in Washington, and was sent to distant points to examine into specified matters and report to the Secretary. But within a few years these agents have organized in New York "a bureau of professional informers" upon a scale hitherto unprecedented, and their interests having become identified with those of the officers they are supposed to watch, they now devote the most of their time to espionage upon the merchants, who are entirely at their mercy. Examining into the weighing, gauging and several other businesses, he said:—

Another change proposed in the bill for the port of New York is the establishment of a separate department for weighing, gauging and measuring the kinds and classes of goods the rates of duty upon which are determined by these standards. I am very sure this proposed modification is in the direction of reform. At present there are sixteen or nineteen weighers, each having charge of a district assigned to him by the surveyor, and each exercising the same powers and performing like duties. The surveyor also has charge of the inspectors, whose duty it is to attend to the discharging of vessels, the landing and examination of passengers, baggage, &c. This of itself is sufficient to engross the time and attention of the surveyor, if he is such an officer as will attend to these important duties in person.

The business of weighing, gauging and measuring has reached vast proportions at the port of New York, and it seems to me best that there should be one responsible head, as in the appraisers' department. It is generally believed that great frauds have been committed by the weighers, and it is said upon good authority that merchants are compelled to pay these officers in order to get their business done promptly. This being so, it will be seen how it is that the salary of a weigher, $2,500 per annum, does not embrace the whole income of the office. Neither is there any doubt that the cost to the government of performing this service is largely in excess of what it ought to be, and what it would be under the system here proposed. It will appear by reference to page 162 of the report of the Retrenchment Committee of the 23 of March last, where an account of weighing by districts is given from May 1, 1869, to December 31, 1870, that great discrepancies exist between the cost of performing this service by different weighers in the same and different districts. The percentage of fees received by the government, which it cost to perform this duty, range, according to the abstract, from twenty to one hundred and ninety per cent. There can be no such variation upon any reasonable estimate of the expense of weighing. I am informed by those who have had experience that the entire labor and expense of every kind may be embraced in thirty-three and one-third per cent of the fees paid to the government by importers for weighing. Such economy ought not to be disregarded, especially as we could at the same time secure greater uniformity and efficiency in practice, and less extortion and annoyance to the merchant.

But it is still possible that a reformation in the warehouse and general order business at the port of New York is more urgently demanded, as not only does it grows to enormous proportions, but it is the subject of enormous abuses and well-grounded and far-reaching complaint. The joint committee, to whose report I have had frequent occasion to refer, gave careful attention to the investigation of this subject for the limited opportunity they had, and finally earnestly advised the relief which the merchants of New York almost unanimously desired. This vast interest, involving alike the convenience and the rights of the merchants, has been regarded, since the administration of Collector Smythe, as a sort of perquisite, to be sold or bargained away, and placed in the hands of personal friends or political favorites. Previous to that warehouses convenient to the vessels were used, and the business was divided among merchants and warehousemen of known character and responsibility. But there has been a marked change in this whole matter, following the pernicious conception that it was the personal property of the Collector or the rightful heritage of adventurers who have clustered around the administration. In a word, the general order business as now conducted is one of the great sources of extortion and oppression upon New York merchants. It is not enough to say the goods are not properly handled, and the heavy charges which their owners are compelled to pay for storage enhance the price of all imported commodities. The Secretary of the Treasury, after careful investigation, admits the superiority of the old practice, but under existing laws thinks he has no control or power in the premises. The law, then, leaves this vast interest at the caprice or pleasure of the Collector of the Port, and for a complete elucidation of the effect and practice, I beg to direct attention again to the Retrenchment Committee's report, and especially to the testimony of Charles G. Francklyn, page 10; Gustav Schwab, page 18; F. M. Bixby, page 21; A. T. Stewart, page 25; Luther Horton, page 30; William E. Dodge, Jr., page 38; William E. Dodge, Sr., page 45, and A. B. Miller, page 47.

The bill under consideration makes it incumbent on the Secretary of the Treasury to so locate the general order stores that they shall be accessible and convenient to the places where goods are unladen from the vessels or steamers, and not as now situated, in distant and dangerous portions of the city, where favorite warehousemen can hire cheap stores and favored carmen secure large business, at double expense to importers and consumers. The merchants have appealed in vain for relief. To me it has been a matter of surprise that the Collector had braced up with such marvellous indifference against the remonstrances of a community so deeply wronged. It can only be accounted for upon the theory that himself or others, in whose welfare or advantage he is closely connected, find sufficient inducements for its continuance in the amount of profits derived from it.

A word in regard to the last clause of this section. No one will dispute that the Collector of the Port and other government officials who have influence in obtaining patronage for bonded warehouses, by reason of their official positions, should be excluded from all participation in the business or profits arising from it. There is no law at present preventing these officers from engaging in this business. It is manifest that the patronage and profits of a bonded warehouse can be largely increased or diminished by the course of the Collector whose official supervision embraces it. My attention has been drawn to this subject in consequence of a business card, which I now hold in my hand, showing that the "Commercial Warehouse Company of New York," with a capital of $1,000,000, has for one of its directors Thomas Murphy, late Collector, and who was also a stockholder, as I am informed and believe, in the sum of $50,000. I mention this case as an illustration in point in behalf of this provision in my bill. It is further intended, by section fourteen, to guard against extortion and malpractices in the public carting of imported goods. It seems necessary to give the Secretary some supervisory power, and the clause of the bill to which I have referred remands this branch of the public business to the regulation and control of the Secretary of the Treasury.

Before I proceed to the consideration of the last feature of the bill which I desire to discuss, I ought to speak of the comparative cost of conducting the business at the port of New York under the last two Collectors. I am rather impelled to this as the President and some others have been led to specially commend the efficiency and economy of the late Collector's administration, which, if justified, serves to modify the argument that there has been a constant tendency to extravagance, partisan excess and corruption. By an examination of the tables, which, after great investigation and labor, I am able to place before the Senate, if desired, in minute and accurate monthly detail, it will be found that the cost of collecting the customs revenue at New York from March 31, 1869, to June 30, 1870, a period of fifteen months, by Mr. Grinnell, and from July 31, 1870, to October 31, 1871, a like period, by Mr. Murphy, is as follows:—

| | |
|---|---|
| Total expenditure under Mr. Grinnell, exclusive of fees collected | $2,629,868 |
| Fees collected and expended in addition | 551,125 |
| Total | $2,881,493 |
| Expenditures under Mr. Murphy, exclusive of fees collected | $2,759,353 |
| Fees collected and expended in addition | 260,297 |
| Amount expended for fuel, gas-light, supply, and stationery, not charged to Mr. Murphy's account, but included in Mr. Grinnell's for the previous corresponding period, say $50,000 a year | 68,750 |
| | $3,088,400 |
| Difference in favor of Mr. Grinnell | $206,907 |

I have not included something over thirty thousand dollars, the credit of saving which is wholly due to the Secretary of the Treasury, in the new letting of the labor contract, about the time of Mr. Murphy's accession to the office of Collector. This item added would swell the difference to about two hundred and thirty-seven thousand dollars—that is to say, it costs this amount more to collect the revenue by Mr. Murphy, than for the corresponding period by Mr. Grinnell—an excess of expenditure not easily explained upon any theory applicable to economy in the labor service. During the fifteen months named, in which Mr. Murphy was at the head of the Customs Department in New York, the total amount of the collections was $188,091,014. For the like period by Mr. Grinnel, there was collected $158,678,328, a distinction of $29,412,686. A great portion of this excess is explained by the fact that the act of Congress, July 14, 1870, reduced the rate of duty upon many leading articles of importation, and provided that all goods imported previous to January 1, 1871, and held in bond, would be subject only to the reduced rates. In anticipation of this law, and as a consequence of it large quantities of sugar, tea, coffee, spices and other articles were so held which otherwise would have been withdrawn and duties paid before. This operated to swell the collections after that, as it had operated to diminish them in a corresponding ratio before that time, a difference nearly or quite equal to the excess which is shown to have been collected by Mr. Murphy. It was an apparent rather than actual increase.

In support of the section fixing the term of office for officers of the customs Mr. Fenton said that he indicated the customs service, and especially the Department of New York, as the proper place to inaugurate a new and improved method, because in service and its place need it more. Nowhere, he continued, has the civil service been so degraded. As these officers of approved capacity and integrity have been suddenly removed without cause, others have been appointed without reference to qualification and character. Faithful and efficient clerks have been abused by the appointment over them of incompetent men. Promotions have not depended upon merit but upon influence. I have been credibly informed that even in this place it has been coined into other words, that faithful party parties have never been punished. Forced assessments from all for political purposes have paid the expenses of a part in their partisan pilgrimages through the country. In fact, it seems as though every possible means had been adopted to demean the civil service in the Customs Department at New York, and to divert the public officers from their duty. Allow the present practice in the civil service for a short period of time to continue and the best elements of the social structure will also become subservient to whatever is degrading and corrupting in public affairs. In conclusion, he proceeded:—

It is not to be successfully denied that officials have been removed in numerous instances by the administration that appointed them without any change in their character or qualifications—not for any dereliction of duty or inidelity to party principles, but because they were not acceptable to some, whose advice was potent with the appointing power, and because it was supposed certain political results could thus be secured. In other words, it is generally believed that the patronage of the government is used as a mere reward for partisan service and as an agency for promoting personal ends. Whether this is true or not, it may at least be said that the extent to which the prerogative of appointment and removal can be exposed has been severely tested—a prerogative which has been at all times, with a brief interruption, in the hands of the Executive to measure and control. The honor and safety of the nation cannot be indifferent to the least tendency towards partisan perversion or mischievous personalism in the bestowment of office, nor permit the insidious influence of patronage to impair the independence of public service. The higher the officer in default, or in defiance, the more necessary to guard the power he wields and to check every outcrop of abuse. I know many good and sagacious people believe that already this protruding evil gravely threatens to undermine our greatness and glory as a nation, but I have unfaithful confidence in the virtue and courage of the people, and as the danger is more and more apparent I do not doubt we shall avert whatever peril impends. It is therefore that I speak, not as one having nothing better than hopeless complaint, but in sober warning and earnest entreaty.

I am aware that principles must be enforced in a large measure through party organization, and to step up towards civil service reform would I commit a wrong against the former or impair the latter. The very essence of popular government lies in associated political action, and the cause which embarrasses the one strikes at the other. But it is no less true that the beneficent operation of this principle is greatly impaired or wholly destroyed if men to secure distinguished opportunities, silence friendly criticism, advance personal aspirations or the triumph of special party interests.

I submit that those who hold positions under the government should be faithful servants of the republic and her laws, and not supplinant tools of the appointing power. I desire that they may be incited to the utmost fidelity to the common and the interests, rather than to the public servant who discharges an official responsibility in appointing or nominating them. The doctrine that "to the victors belong the spoils of the vanquished" may once have been applicable to the bestowment of official places; but if so I am sure it is applicable no longer. The patronage of the government is so vast, the offices to be filled are so many, that the public interest forbids that they be made the sordid and selfish ambition or party caprice may dictate. I plead in the name of the people for the adoption of a purer and nobler system, under which the political morality of the nation will be elevated, official integrity cherished and the public safety assured.

The following bills were introduced and referred:—

By Mr. TRUMBULL, (rep.) of Ill.—To further regulate the appellate jurisdiction of the Supreme Court and to prevent delay, providing, among other things, that ordinary civil suits shall not be appealed to the Supreme Court unless the matter in dispute exceeds the value of $5,000, but allowing appeals in criminal causes in which a sentence of death or other infamous punishment has been rendered by a Circuit Court. Referred to the Committee on the Judiciary.

By Mr. SPENCER, (rep.) of Ala.—To regulate commerce among the several States, providing general autnority and specific regulations under which any number of persons may become incorporated for the purpose of constructing, leasing and operating canals, railroads and other highways, or carrying on the express business through any two or more States. Referred to the Committee on Commerce.

By Mr. CARPENTER, (rep.) of Wis.—Authorizing the President to accept the resignations of the Judges of any Court of the United States permanently disabled from efficiency and the continued payment to them of their salaries.

By Mr. POMEROY, (rep.) of Kansas—For the relief of settlers on the Osage Indian lands in Kansas; a bill granting lands to the International Ocean Telegraph Company in Florida; also a bill granting one million acres of the public lands to the District of Columbia for the support of public schools.

By Mr. WILSON, (rep.) of Mass.—To make a blank appropriation to satisfy the claim of Miss Anna Ella Carroll, of Maryland, for services in furnishing valuable information to the War Department during the late rebellion.

Mr. SUMNER, (rep.) of Mass., presented several petitions and memorials for the passage of his supplementary Civil Rights bill.

On the motion of Mr. HAMLIN, (rep.) of Me., the Committee on Retrenchment was authorized to continue its investigations.

At half-past two o'clock the Senate went into executive session and soon afterwards adjourned.

HOUSE OF REPRESENTATIVES.

WASHINGTON, D. C., Jan. 8, 1872.

Bills were introduced and referred as follows:—

By Mr. HALE, (rep.) of Me.—To provide the rank of Professor of Mathematics in the Navy.

By Mr. LYNCH, (rep.) of Me.—To prohibit the collection of pilotage and port fees by State or municipal authorities; also in regard to the resumption of specie payments.

By Mr. WILLARD, (rep.) of Vt.—To preserve the independence of the several departments and to regulate appointments to and removals from office.

By Mr. BUTLER, (rep.) of