CORRUPTION OF THE GOVERNMENT.

1875–76. Written March 30th, 1877.

The nature of our politics is the cause of its dishonesty. The principle cause of dishonesty is, that the election is only for a stated time, after which, some body else is very apt to get in. The next cause is that the electors are ignorant people and not able to appreciate honest devotion to office, but that are ruled more by feeling than reason. The 3rd, reason is the great emoluments held up for comparitively little labor, where it is not absolutely necessary to render an equivalent what would be demanded by strict honesty. The 4th reason is the ease with which dishonesty may be practiced without being discovered, without being duly punished, and because of the ease abetters may be found for a bribe, among the high and the low. As the 5th and last reason we have the evolution of dishonesty having arrived at a high degree of perfection. The ways and means of dishonesty are well known and understood by every one of the party. The frauds being known & well understood it must necessarily be dishonest persons that can wish to get a hand in it. The patriots are few. The efforts of one man, will show but a small result. To achieve great things, building railroads, canals, and Steamlines, *association* is necessary.

This same principle has been carried into political corruption. The solitary thief proceeds in secresy, embued with fear, the thief of association, carries his head erect he trust and another one and so on, the theft is carried out as an honerable undertaking. This association embraces the high and the low; from the Towntreasurer to members of the Cabinet.

—The method adopted is a refined method. It seems that civilization has stamped its influence on the element of corruption. The burglar enters the house and steals a few valuables when the owner is absent, the government steals ten times as much in day time with an open face and threatenes confiscation (sale for taxes) if the demand is not complied with. It is done with an open face to give it the stamp of right so that there should be no complaints made. Thus the people became devided into 2 classes; The smaller class embraces nefariously educated people who act as swindlers, or are the executors of a graud swindling system. The other party are either

well educated and upright men that do not wish to soil their hands in the ways that are tricky and dark, or people that are illiterate that readily bend to the yoke and this class is the party swindled.

—A. gets elected to a major office, he becomes now the initial point, he intimates to his friends that if B. would make up a certain sum, then he might have a certain office, where he again might easily triple that sum from his inferiors, also the selling of minor offices, for sums of money that have to come eventually again out of the people that elected him to office. Thus the director of a school board demands a part of the teachers wages, and thus the teachers wages must necessarily be so much higher. So it goes up to the highest Office. President GRANT accepted from A. T. Steward 10.000 dollars for buying a house, & appointed him Secretary of the treasury; from Borie he accepted 5.000 dollars & made him Secretary of the Navy; Tom Murphy, for a cottage at Long Branch was made Collector at New York; Gen. Butterfield got up a subscription for 100.000 dollars and was made subtreasurer at New York, Mr. Pierpoint gave 20.000 to the fund for aiding the President's second election and received therefore the office of Attorney General; Mc'Donald gave him a horse and was made a Supervisor of the Revenue in which capacity he defrauded the Government for 2 Millions, being leagued with the whiskyring.

—As teaching by example brings the best results, so was the corrupt example of Grant quickly embraced and practiced by a majority of his subordinates. The President's private Secretary, Babcock, and the principal clerk of the Treasury became thus identified with the Whiskey ring; the Secretary of the Treasury was led to make Sanborn contracts; the Secretary of War, Belknap sold the suttler office for a handsome sum defrauding the 700 soldiers at Fort Hill for 12.000 a year.

Receiving bribes and having the bribers defraud the people for 4 times the amount may be called passive manipulation, lately however the president adopted the other side of the tactics, as developed in the "Salary Grab". Here in order to secure for himself another 25.000 dollars to his salary, he spent the public money most extravagantly 1.000.000 of back pay was allotted to the

Congressmen and ½ Million additional pay secured for the future. Thus an exorbitant liberality was shown with the money of the people. This profligacy has been carried into every department. 1st, The adminstration, the Taylor-Fillmore adminstration. 1850–53 required 34 thousand dollars, Salary included that of Pierce to 1857 42 thousand; that of Buchanan to 1861, 42½ thousand: that of Lincoln to 1865, 52 thousand While Grant 1869–72 doubled that of his predecessor making it 104 thousand and in the next term 1873–76 he raised it to 119 thousand.

2. The NATIONAL EXPENSES. The National expenses from 1856—61 averaged 64½ Millions, which under Grant have ran up to 140 Millions.

3. The Army cost from 1856—61, 21 Millions a year, under Grant, 43 Millions. The Navy required 13¾ Millions from 1856—61 and 23 Millions under Grant and it being no better. The English Navy being 3 times as large, and 8 times as many men, costs but 50 Millions, therefore ours should cost no more than 17 Millions. The Indian Service cost during the period of Democratic rule 3½ Millions, during that of Grant's it has run up to nearly 7 Millions. This would make 30 Dollars a head for for every Indian in the country, while Canada pays but 2 dollars a head. — The MISCELLANEOUS EXPENSES including the State, Interior, Treasury and Judicial department, amounted under Democratic rule to 27 Millions, under Grant's administration to 64½ millions, which surplus is appropriated by various rings, among which may be mentioned the Washington ring, and the payment of rotten claims.— The Expenses demanded for the year ending June 1877 are: For the Army 40 millions, for the Navy 20, for the Indian Service 17, for Miscellaneous Expenses 70, for the Post Office Department 2½, and for Pensions 30 millions, 3 of which are paid on fraudulent papers, making an aggregate expenditure of the nation of about 170 millions a year, in which the interest on the public debt is not included.

Frauds requiring special mention are: 1st, The Whiskey ring. 70 cents per gallon of whiskey was to be paid as tax before it should leave the distillery. This tax was not paid in a number of places especially St. Louis, Cincinnati, Chicago and Milwaukee. The amount

was divided between the distilleries, the local inspectors and respective individuals at Washington. At St. Louis it was McDonald, and Joyce, and in Washington Babcock and Avery. The defraudation is assumed to be about 2 Millions in St. Louis, and 15 Millions on the aggregate in all the places a year.

2. Fradulent Pension claims. Commissioner Atkinson stated June 10, 1876 before the Congressional Commitee that the amount paid annually to fraudulent entries on the book amounted to 3 Millions a year.

Post Department. Special Agents received 200 thousand, Railway post clerks 1½ Million, Route Agents 100 thousand, Mail carriers 147 thousand and Local Agents 96 thousand dollars. Hester was sent for political purposes under the pretence of investigating the Modern Ivey, and was paid 15 dollars a day. Sanborn Contracts. The Secretary of the Treasury made a contract with Sanborn to collect the taxes from Railroads and whiskey distillers and the forfeitures for evading payment, and for this he was to have ½ of the taxes for his services, and besides the corps of officials paid by the Government for that purpose were to assist Sanborn: so that the other half of the taxes was run on by the officials. In this case the taxes of the people went to the support of favored officials.—

White house favorites' ring. The financial Agency of the Government in London, held by the Barings and well administered was sold to Clews and Co. in New York who had a branch office in London. In a few years the firm went bankrupt, owing the Government several hundred thousand dollars. The procedings in bankruptcy showed that Clews and Co. paid for the Agency as follows: Made in writing an agreement to pay ¼ of the profits to Cheever, one quarter to James A. VanBuren and ¼ to Dent, a brother-in-law of the President. Cheever claimed 300.000 for his share. VanBuren proved to be a fictitions name, to avoid detection.

This case shows the exact working of the corrupt machination. An office, a contract a monopoly, etc. is let to another person at an enormous pay, in the eyes of the people, while part of that pay is retained on a return contract; and to avoid detection fititious names are introduced.