

THE PUBLIC OWNERSHIP OF RAILROADS.*

A Study of the Results of the Policy of Government Ownership of the Transportation Systems in Europe.

For The Public.

I.

Introduction.

While a great deal has been said both for and against government ownership of railroads, but little has been published in America, except for occasional references, that has been intended to indicate, by directly quoting actual results, to what extent this policy has proved financially a success in the countries where it has been applied. In fact, most of what has been said and written has been stated, not with a view of giving real or authentic information, but rather to discourage any further investigation of the subject. Editorial writers, more or less in the service of, or influenced directly or indirectly by, the transportation monopolies, as well as men prominent as political leaders, have time and again assured us that government ownership of railroads has been more

*A series of articles on "Public Ownership of Railways in Europe" was published in *The Public* during July and August last year. The present series is intended to give additional facts, containing as well a short summary of the matter then published, in order to make the treatment comprehensive, and complete in itself.

In preparing this series the author has gathered the information contained and the statistics quoted, mainly from the following sources:

Zeltung des Vereins Deutscher Eisenbahnverwaltungen, Berlin, Germany.

Sveriges Kommunikationer, Stockholm, Sweden.

The German Empire of To-day, by Veritas. Longmans, Green & Co., London, 1902.

International Exposition, St. Louis, 1904. Catalogue of the Exhibition of the German Empire, by the Imperial Commissioner.

Sweden, its People and its Industry. Historical and Statistical Handbook, Stockholm, 1904.

Norway, Official Publication for the Paris Exhibition, 1900. Kristiania, 1900.

The Statesman's Yearbook, 1906.

Daily Consular and Trade Reports, issued by the Department of Commerce and Labor.

Bulletin of the International Railway Congress.

Meyer's Konversations-Lexikon, fifth and sixth editions. National Railways, by James Hole. Cassel & Co., London, 1893.

Railway Nationalization, by Clement Edwards. Methuen & Co., London, 1898.

American Railroad Rates, by W. C. Noyes. Little, Brown & Co., Boston, 1905.

Government Ownership of Railroads, Speech by Hon. Thomas M. Patterson of Colorado in the Senate of the United States, Feb. 27, 1907.

The Railroad Gazette, New York.

Engineering, London.

The Railway Engineer, London.

Indian and Eastern Engineer, Calcutta and Bombay.

Far Eastern Review, Manila.

Zeitschrift des Vereines Deutscher Ingenieure, Berlin.

Industrietidningen Norden, Stockholm.

of a failure than a success in foreign countries. A notable example of this is Secretary Taft, who, in a speech at Columbus, Ohio, August 19, 1907, in which he sounded the keynote of his intended Presidential candidacy, declared himself not to be in favor of government ownership of railroads; and, by one of the reasons given for his opposition to this policy, he labeled himself as pretending to know something about a question of which he is deplorably ignorant, or else he made an assertion when knowing that the truth of the matter did not agree with his statement.

"I am opposed to government ownership," he said, "because existing government railroads are not managed with either the efficiency or economy of privately managed roads, and the rates are not as low, and therefore not as beneficial to the public."

This assertion, however, is absolutely false in regard to all government railroad systems in Northern Europe, and with regard to the rest of the systems it contains a grossly misleading opinion, contains but a half truth, and is, therefore, really worse than a complete falsehood. For the purpose of proving this to be so, for the purpose of proving that government ownership has not been, nor is, such a complete failure as many of our public men and our press venture to say, the following facts have been gathered. On no subject is the public in general so ignorant, or, at best, so misinformed, as on this matter. On no public question now before the eyes of the body politic is there such a lack of precise statements containing the actual facts and figures, as on the subjects pertaining to government ownership of railroads in foreign countries.

This is due largely to the fact that our representative journals either ignore the subject entirely, or fill their columns with misrepresentations. In no less degree, however, is it due to the fact that public men, like Secretary Taft, for instance, echo like parrots these misrepresentations in their speeches. Public men of this type are too much engaged in practical politics to find time to find out the facts for themselves. Their ignorance may therefore be excusable, or, at least, explainable. But it is due to themselves as men who claim to be interested in the welfare of their country, that they should refrain from making statements which they cannot substantiate. It is not to demand too much of a Presidential candidate, even a plutocratic one, that he should have some regard for the *truth*, and that, particularly in a speech that is to be quoted from ocean to ocean, he should guard his utterances in a more careful way. Undoubtedly, however, the remark quoted was due to ignorance, for we hesitate to believe that it could have been made in pure subservience to vested interests. If so, however, it is all the more reason why we should do all in our power to inform the public of the true facts in this connec-

tion. If ignorance is found to flourish in so high places, among our so-called statesmen, then it is not surprising that the average citizen lacks information on this important question.

Therefore it is deemed that a comprehensive treatment of public ownership of railroads, giving facts substantiated by statistics from the best sources, is appropriate for publication at the present moment. The author has tried to avoid general platitudes. He has aimed at substantiating every opinion or conclusion by the records of actual results. And he finally permits himself to claim to have a right to assume to be more intimately acquainted with the actual opinions of the people in countries where government ownership of railroads is an accomplished fact, than could be an occasional traveler, more or less unfamiliar with the language, the habits and the general attitude of the people in the country where he may try to study this subject.

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We are to-day facing an interesting and significant condition in American politics. The dividing line between the conservative, or, rather, reactionary, and the liberal and progressive force in our politics, is one less coincident with party lines than ever. While the American people have hitherto, in a general way, been divided by a line drawn vertically from the top down, the changed conditions have greatly eliminated the old partisan divisions, and the dividing line is now a horizontal one, above which are the beneficiaries of special privileges in whatever form these may take; and below which are those who contribute to privilege without sharing in the benefits derived—those who pay tribute. These two divisions or classes are in the deepest sense of the word, our political parties of to-day.

On no question could these two parties be more clearly divided than on the railroad question. Here stands privilege clearly on one side, claiming its vested rights, and the tribute-paying public stands on the other. And while the question of government ownership of railroads is not an active campaign issue as yet, it is nevertheless one of the fundamental issues in present-day American politics. The question of railroad control must inevitably be followed by that of government ownership, even in active politics. We shall soon see the futility of our attempts at control. Then we will be forced to grapple with the greater and fundamental question, that of actual government ownership. It is impossible to deny that this question is a political issue. And being an issue, it is our duty to seek information, form an opinion, and to place ourselves on one side or the other in regard to it.

It is, then, in the first place of importance that we should find out what has been done elsewhere in regard to public ownership of railroads. Has

this policy been extensively tried anywhere? Has it been tried for a sufficiently long time to permit of definite conclusions? Have rates been lowered by the application of public ownership? Are present existing publicly owned railroads self supporting? Do they give satisfactory service? Is life more safe on publicly owned railroads than on private roads? And, in particular, how do publicly owned railroads in foreign countries compare with private roads in the United States? These are all questions which we must answer in order to be able to form an intelligent opinion. And these questions the author has tried to answer as well as is possible with the information at his disposal. The conclusion arrived at can be disputed only by pure prejudice, for the facts we are about to quote will plainly indicate that public ownership of railroads is guilty of very little of that which its opponents have charged against it.

It would be possible, and perhaps profitable, to dwell at length on some of the preliminary considerations connected with this question, but as these have been previously dealt with in *The Public* (vol. ix, p. 723; vol. x, p. 326), we may, after this explanatory introduction, consider ourselves ready to enter directly on the investigation necessary to reply to the questions which should be answered relative to the development and results of publicly owned railroads in foreign countries, in order that an intelligent opinion may be formed.

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CHILD LABOR: ITS CAUSES AND AMELIORATION.

For The Public.

“A Penny for Your Thoughts!” As a matter of fact, it cost more than a penny; but after several Child Labor committee meetings, in which everybody had an exclusive idea as to what the public thought on the Child Labor question, it was decided to find out definitely. Eight thousand question blanks were printed and distributed as widely as possible. The questions asked were as follows:

1. State in the order of their importance what you consider the three principal causes of Child Labor.
2. Should the minimum age for child employment in occupations other than domestic and farm labor be 12, 13, 14, 15, 16, 17, or 18 years?
3. What distinction, if any, would you make between mines, factories, and stores in this age limit?
4. Would it be desirable to allow children to engage in light work outside of school hours?
5. Would you favor allowing work in vacation? For what occupations? At what ages?
6. Would it be desirable to introduce some kind of manual or trade education in all grades between the kindergarten and the high school?
7. Do you care to specify any particular kind of training?