The Interstate Commerce Commission

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The latest report of the Interstate Commerce Commission is an exceedingly interesting document, and will secure deserved attention in railroad, legislative and legal circles. It is well known that it required about twelve years for Congress to pass the law creating the interstate commerce commission. In both houses of Congress there are men said to be eminent as lawyers — men learned in every department of jurisprudence. The bill, in its progress, was fought by the most powerful lobby ever organized in Washington City. Every word, paragraph and sentence was subjected to the most searching scrutiny, but, finally, when the law was placed upon the statute books, it was found to be in many regards defective and requiring amendments, and in the report of the commission the amendments demanded are pointed out.

Referring to the necessity for the law creating the commission, the report says:

During twenty years prior to such enactment, the extraordinary construction of railways under enormous grants of public lands, private donations, aid of county, town, and municipal bonds, freely and often inconsiderately given through a passionate desire for these public highways, railway capital secured under exacting conditions, lavish expenditure, and reckless management, establishment of branch or feeding lines to the main stem in order to monopolize business in tributary territory, rivalry of lines to take possession of districts in the hope of future business, causing duplication of roads in sparse regions not able to support a single line, all resulted in capitalization far exceeding cost and a railway system of vastly greater carrying capacity than the volume of traffic seeking transportation. The fiercest competition was thus rendered inevitable, and the necessity of earnings
to meet fixed charges and operating expenses tempted resort to every device by which to obtain business on any terms.

In less degree the same conditions existed in the more developed sections of the country. Public regulation was not then looked upon with favor. Transportation facilities were treated as private property subject to bargain and sale like merchandise, and railroad managers were hostile to any form of government supervision. Special rates and rebates were recognized features of railroad operation; favoritism between shippers was not thought dishonest, though the favored shipper secured a monopoly through the ruin or withdrawal of competitors, and to treat prevailing practices as criminal misdemeanors was regarded with ridicule. This conduct aided the formation and fortified the power of those vast combinations of capital which created public alarm. Whoever will read the report of the Cullom committee to the Senate in 1886 will be astounded by the magnitude and extent of railroad abuses brought to light by their investigation.

The statistician of the commission makes an exhaustive report relating to railway mileage, the organization of railways, equipment, employees, capitalization and valuation, earnings and expenses and accidents, for the year ending June 30th, 1891. The total single track mileage in the United States at the date named was 168,402, and the total mileage of all tracks was 216,149 miles. On the 30th of June, 1891, there were

1,786 railway corporations, of which 889 were independent companies for the purpose of operation, and 747 were subsidiary companies, the remainder being private lines. The report further shows that 16 roads have been abandoned during the year, and that 92 roads, representing a mileage of 10,116.25, have disappeared by purchase, merger, or consolidation. The actual number of railway corporations in 1891 is less than the number which existed in 1890, notwithstanding the fact that a considerable number of new lines were chartered during the year. The tendency toward consolidation is clearly indicated by the report. On June 30, 1891, there were 42 companies, each of which controlled a mileage in excess of 1,000 miles, and nearly one-half of the mileage of the country is the property of these 42 companies.

In the matter of equipment it is shown that the total number of “locomotives used by the railways of this country was on June 30, 1891, 32,139, showing an increase of 1,999 during the year, and the
total number of cars, the property of railways, was 1,215,611, showing an increase of 45,944 during the year. The number of locomotives per 100 miles of line was 20; the number of passenger cars per 100 miles of line was 17; and the number of freight cars per 100 miles of line was 714.” It is shown by the report that the number of men employed on railways in the United States for the year ending June 30, 1891, was 784,285, being an increase of 34,984. The number of men employed per 100 miles of line was 486, and the extent to which “organized industry has increased the efficiency of labor is shown by the fact that every engineer, during the year, has on an average carried 369,077 passengers one mile and 2,329,639 tons of freight one mile.”

In the matter of capitalization, it is shown that the roads are valued by their owners at $9,829,475,015, or $60,942 per mile of line. It is shown that the gross earnings of the roads for the year ending June 30, 1891, amounted to $1,096,761,395, or $6,801 per mile of line, and that the operating expenses amounted to $731,887,893, or $4,538 per mile of line, leaving the net earnings from operation $364,873,502, or $2,263 per mile of line.

Referring to accidents, the report shows that casualties during the year ending June 30, 1891, are greater than in any previous year covered by reports to the commission. The number killed during the year was 7,029, and the number injured was 33,881. Of these totals, the number of employees killed was 2,660 and the number injured was 26,140. The number of passengers killed was 293, and the number injured was 2,972. A classification of casualties according to the kind of accident shows 415 employees were killed and 9,431 injured while coupling and uncoupling cars; 598 were killed and 3,191 injured falling from trains and engines; 78 were killed and 412 were injured from overhead obstructions; 303 were killed and 1,550 were injured in collisions; 206 were killed and 919 were injured from derailment of trains; 57 were killed and 319 were injured from other accidents to trains than collisions and derailments already mentioned; 20 were killed and 50 injured at highway crossings; 127 were killed and 1,427 were injured at stations; the balance, which makes up the total of 2,660 killed and 26,140 injured, is due to accidents which do not naturally fall in the classification adopted for report. Referring to passengers, 59 were killed and 623 injured by collisions; 49 were killed and 837 injured by derailments; 2 were killed and 34 injured by other train accidents; the balance, making up a total of 293 killed and 2,972 injured, being assign-
able to accidents at highway crossings and at stations and to other kinds of accidents.

The report emphasizes the necessity for legislation compelling railways to adopt train brakes and automatic couplers. Casualties are steadily increasing in number, and the report says that during the year ending June 30, 1891, 1 employee was killed for every 296 employees, and 1 employee injured for every 30 men in railway service. The corresponding figures for the previous year are, 1 man killed for every 306 employees, and 1 man injured for every 33 employees. This same fact is also presented in another manner. The increase in the number of employees killed during the year covered by the report over the previous year is 9 percent, and the increase in the number injured is 17 percent, while the increase in the number of men taken into employment is less than 5 percent. The corresponding comparison for casualties to passengers shows that, while there has been a relative decrease in the number of passengers killed, the number of passengers injured shows a much greater increase than the increase in the number of passengers carried. On the whole, the comparison of accidents for the two years leaves a very unsatisfactory impression, since it shows that liability to accident was greater during the year covered by this report than during the previous year.

The foregoing furnishes the readers of the Magazine the more important features of the report of the interstate commerce commission, and the statements made and the figures furnished may be accepted as approximately correct, and therefore answer the valuable purpose of data upon which to construct arguments and arrive at rational conclusions.