

THE  
PRESBYTERIAN QUARTERLY  
AND  
PRINCETON REVIEW.

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NEW SERIES, No. 23.—OCTOBER, 1877.

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Art. I.—DOGMA AND DOGMATIC CHRISTIANITY.

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THERE is a class of thinkers both in Britain and America who assert that the time has come for recasting all the issues of our theological thought, and for seeking a more thorough reconciliation of our religious aspirations with the higher criticism and advanced culture of the age. They admit that the old creeds were good things in the past, and especially at the Reformation, when the ferment of new spiritual life needed guidance, consolidation and restraint; but they have now outlived their original use, and earnest minds can be no longer content to dress themselves out in the faded garments of forgotten speculation, but must seek, by a fresh and catholic study of truth, to work out the *renaissance* of modern theology, and secure the energy and triumph of a lofty spirituality. The creeds are worse than useless. They have become prolific sources of evil to the church. They have arbitrarily arrested the development of Christian thought, and restrained the free play of the higher reflective energies on which the continued existence of Christianity, as a living and progressive power, depends. We have now, therefore, to restore living thought to its due place, and allow it to operate freely as a modifying dynamic force amidst the statical energies of modern ecclesiastical life. Besides, the concessions must be made to satisfy the demands of science and philos-

## ART. X.—THE GREAT RAILROAD STRIKE.

By L. H. ATWATER.

THE great railroad strike, culminating in the riots, arson and murder which turned the city of Pittsburgh—more than almost any other the metropolis of a dense evangelical and even Presbyterian population—into a pandemonium, and a bright summer Sabbath from being a foretaste of heavenly rest into an “abomination of desolation,” and foretaste of the diabolism of the world of despair, if terrible in itself and its immediate effects, was still more so as a revelation. It partially uncapped the crater of a social volcano over which we have been sleeping, nearly all of us without suspicion or alarm, while a few have been aware of its existence. These were the less surprised when it burst forth, because they had long seen its smouldering fires, ready to rage on the slightest gust of provocation, and come forth in fury and devastation in a time unlooked for, even as a thief cometh in the night. They have seen this to be the inevitable danger of the so-called trades-unions into which nearly all the skilled laborers, or manual laborers in special occupations, are organized. How and why they stand related as cause and effect will be made to appear in its proper place. The vast increase of tramps, idlers, and the scum of Old World communism lately cast among us, enhances the danger.

But even to these, not less than to the whole country, the scenes of that dread week, the last in July, were a revelation in another respect. None had adequately realized the extent to which our railway system is interlocked with our whole industrial, commercial, social and political life, so that its stoppage, even for a single week, paralyzes industry by preventing its products from reaching their consumers, or the raw materials from reaching their workers, thus consigning them largely to uselessness or waste; imperils the subsistence of millions, whose daily food is supplied by the matchless rapidity of railway transportation over hundreds and thousands of miles; arrests that transmission of intelligence by postal and other railroad communication which is the bond of modern society

and underlies all the arrangements and ongoings of modern life ; palsies the arm of government itself by stopping the conveyance of intelligence, supplies and resources—forces on which its power and efficiency depend. In short, the enforced stoppage of railway movement is and was seen to be to the body politic just what stoppage of the circulation of the blood is to the natural body ; and the stoppage of movement on any part of a great trunk line is, for most important purposes, the stoppage of movement from end to end of itself and branches, extending hundreds and thousands of miles. The knowledge that a few desperate and infuriated men could in this manner lay their hand upon the throat of the country, and griping it almost to the very point of strangulation, keep its hold for days and weeks, was indeed a revelation of direst portent to those who, having thought they foresaw the impending evil, were thus rudely taught that they had only imagined the speck in the sky which spread, and thickened, and lowered, until it discharged itself far and wide in lightning, thunder, tempest and tornado. No event since the bombardment of Sumter has struck the country with such startling and ominous dismay, or been accepted as so loud a summons to rally to the defence of our altars and firesides as the mobocratic reign of terror in the latter part of July under the lead of railroad strikers. The periodical press of the country, almost without exception, has felt called to the duty of contributing its quota of light upon the causes and cure of the portentous social phenomena, of which these events, unless rightly improved for the prevention of their recurrence, or evils equivalent, if not worse, are not the end, but only the beginning. The subject has so many sides—economic, industrial, social, ethical, governmental and political—that we cannot do justice to them all. We can only touch upon the more salient points presented by them in the space at our command.

The topics directly or indirectly involved are so numerous and varied, and so variously interlinked with the main topic and with each other, that the precise order of treatment must be left largely to evolve itself freely as we go on, without any previous minute mapping out. Perhaps there is no more natural and logical beginning than a consideration of the alleged grievance, to redress or remedy which the strike was professedly undertaken, and its attendant crimes perpetrated.

This alleged grievance, it is needless to say, was the reduction of the wages of the employés, including the highest officials, of most of our principal roads ten per cent. In some cases this had been preceded by some previous reductions that have followed the great financial panic of 1873. But, unless in cases the most rare and exceptional, it is also true (*a*) that the wages still paid by the railroads to their employés remained, after the reduction, higher than the average of those paid for analogous services in other walks of life, and that the reduction had been less than in other departments of labor; (*b*) that others were willing and eager to take the places vacated by the strikers at the reduced rate of compensation; (*c*) that the reward of the laborer had declined far less than the profit or dividend upon the capital employed, which largely consists of the unspent savings of previous labor, embodied in said railroads and their furnishings, which afford the very support, opportunity and only possibility for the labor and wages of these employés. All this is eminently true of the Pennsylvania Railroad, on which the great strike and riot occurred. The wages still remained far better, not only than the average in other employments, but even in the total railroad service of the country, while the dividends upon the capital, which means, as we know, very extensively the unspent savings of the labor of others, put there for the support of widows, orphans, the aged and decrepit, have been reduced in a far greater ratio. (*d*) The reduction was rather in the nominal than in the real wages, considered with reference to their actual purchasing power, or value in procuring other things or means of subsistence and comfort. If the price of labor has been reduced from the inflated paper standards during and following the war, when a dollar of legal-tender currency was worth from one-third to one-half a gold dollar, it is because it was then raised to meet the inflation, and having swollen from the old coin price, as was just, it now shrinks back toward that standard where a paper dollar is worth almost a gold one—more than a silver one. It is quite as high, occasionally higher, than in the ante-war times. Now, as the prices of other commodities or products of labor have shrunk in proportion, it is equally available for subsistence and comfort as the same gold wages before the war, or twice or thrice the same number of paper dollars during and immediately after

the war. This is true of food, fuel, raiment and shelter taken together, if not of each and every item taken separately. It is proper, however, to say that in regard to food this statement is more nearly true in this year of bountiful harvests than in the last, which gave a much poorer crop return in breadstuffs, and especially that poor man's resource, the potato. This esculent was so burnt out by the tropical heats of the summer of 1876 as to rise to double the ordinary, and four times its present price. It is also true that, at the time of the occurrence of the strike, the bountiful crops of this year had not been sufficiently matured and marketed to produce any very marked effect on prices. But all this was easily seen to be exceptional. The grievance alleged, therefore, did not exist in reference to the chief railways smitten by the strike. Indeed, this is so obvious that it is well known that most of the strikers on the Pennsylvania Railroad went into the measure very reluctantly, and only on the order of those chiefs of the Brotherhood of Locomotive Engineers to which they belonged, and whose behests they had bound themselves to obey by vows—better kept in the breach than the observance—which they dared not violate. As it was, scarcely one-tenth of the men in the employ of that colossal corporation joined in the strike, which it is thus abundantly proved had no substantial grievance to justify or even palliate it. We say this, not in any sense which questions the right of each and every employé to cease working for his employer, when he thereby violates no previous obligation or contract, express or implied, and does not become an idler and pauper, casting himself and family on public or private charity for support, or when his manner of doing it, or of combining with others to do it, does not amount to an unrighteous conspiracy against public interests and private rights.

Nor do we question the right of laborers to combine for lawful purposes and in lawful ways to further and defend their own interest, to support each other in times of adversity or destitution, to coöperate in preventing abuses or extortions practiced by their employers, whether singly or in combination, by the use of righteous and lawful means. But we hold that attempts to do it by unlawful means, by conspiring, suddenly or without notice, simultaneously to stop the trains of a road at a given hour, no matter where they are, leaving them and

the property on board of them to injury or destruction, and the persons traveling on them to the danger, pain and loss incident to such a catastrophe, to be of the nature of a conspiracy against society and the individuals involved in violation of all right and law, human and divine; in short, an outrage to be punished by the judges and crushed by the strong arm of the law. So the laws of New Jersey treat it. To abrogate or prevent such laws is now a cardinal plank in trades-union and labor-reform platforms. But more especially do we hold that all attempts to force employers to accede to the demands made upon them by the forcible prevention of others from laboring for them, or, in other words, all forcible interference with the liberty of others to labor in any lawful occupation they may choose, to be an invasion of the fundamental rights of man and society, which ought to be prevented, if need be, by the extremest exercise of the powers of the State.

And just here we touch the main issue between strikers and all other classes. They, like the trades-unions which resort to them, are impotent unless they can forcibly prevent other laborers from taking the places they have deserted. Their very life and success depend on this. They therefore depend on measures which invade the rights of their fellow-men, and which the utmost power of society ought to be exerted to suppress. It is no justification of such violence that employers, whether railroads or others, whether individuals or corporations, may have come to an agreement to reduce wages for any given kind of labor they employ, so long as they violate no previous contracts, express or implied, give due notice of the intended reduction, and use no coercion to compel parties to work for them at such rates. It may justify concerted action among the employés to resist such reduction by all lawful means, but by no other in any circumstances; much less in a case in which the reduction proposed does not exceed the rate of reduction of wages generally prevalent.

We have looked at the alleged grievance which provoked the strikes and riots. We do not intend to intimate, as will in due time appear, that the railroads were faultless, or do not need great reform. Let us, however, now look for a little at the methods of redress; and first of all at the great instrument or organization employed by laborers, and especially railway

laborers, for the redress of the alleged grievances. We refer, of course, to trades-unions generally, and those among railroad engineers and train laborers in particular.

So far as these unions or brotherhoods are benevolent organizations for the purpose of amassing funds to aid their members or their families when overtaken with sickness or destitution, they are eminently proper and commendable; all the more so in the case of occupations as perilous as the running of railroad trains. So far as they are organized for mutual helpfulness in lawful ways and for worthy ends, they deserve countenance, and should encounter no opposition. But they all, or nearly all, have certain features designed to enforce monopoly privileges which are utterly unjustifiable, and amount to little less than an organized conspiracy against the rights of man.

First among these is the insisting on equality of wages for all of their craft, no matter how unequal their skill, faithfulness and efficiency. This is a conspiracy against the just rights of the higher class of laborers, and takes away all motive to aim at a high standard of workmanship and efficiency. It encourages sluggish, incompetent and faithless workmen. We have been credibly informed of cases in which the members of a trades-union compelled an employer to continue the employment of drunken and dissolute fellow-members of their league, by threatening to cease working for him, at a time when such cessation of work would be ruinous, if he did not restore them to their places in his service. In pursuance of this policy they forbid the employer to give work to any outsiders, even in order to deliver them from starvation and vagrancy, on pain of deserting him in circumstances which would entail upon his business the greatest loss and destruction. Not many years since the secretary of a great Steamship Co. in New York set at work a ship-carpenter who begged for work in order to get his bread. The secretary was informed at once that all the other workmen would instantly quit his employ unless this outsider to the union was dismissed, although they had engaged to labor, and their services were indispensable in order to fit the vessel for sea within the time appointed and advertised for her sailing.

It is a part of the same system, and indispensable to carry

it out, that all work by the piece or the hour should be prohibited. Otherwise, a difference of reward would arise as between the better and poorer laborers, and competition would defeat the system of equal wages for all workmen, good, bad and indifferent. Since the paralysis of business, which has struck no class more severely than builders, a contractor fortunate enough to obtain a contract for the construction of a large building, employed a considerable number of stone-cutters in dressing the stones for his building by the piece. While they were thus earning bread for themselves and their hungry families, they and their employer were waited upon by a committee from a trades-union fifty miles off, and informed that piece-work was not permitted by the laws of the guild. The contractor replied that he should manage his own business without their superintendence. Some of his workmen continued at their work, others left it at the behest of the intruding committee, and their places were promptly filled by others. The next resource of the trades-unionists was to loiter and stroll around, threatening and annoying the workmen who persisted in their work, till at length the contest ended, as in such cases it ever should end, in the employer causing the intruders and disturbers to be arrested and bound over to keep the peace. All this illustrates and proves the fact that these organizations cannot carry out their monopoly policy without lawless and violent interference with the inalienable right of men to engage in honest labor. And this fact proves the very end as well as means they have in view to be utterly unwarrantable.

This policy of enforced monopoly further requires the prohibition of apprentices from learning the trade of the guild except in numbers the most limited. Hence it is a fundamental article of every such guild, that its members will allow no man who employs them to have more than an insignificant number of apprentices for a large number of journeymen, lest by increasing the number who become skilled in the craft, competition should lower the rates of wages toward the level of other occupations. This is a conspiracy against the fundamental rights of men to choose the occupation for which God and nature have fitted them, and of society to enjoy the most advantageous use of the faculties of its various members. Nay,

more; by depriving the rising youth of the opportunity for right and wholesome employments, it forces them to grow up as idlers, augments the dangerous classes, or, at all events, to swell the ever-increasing ranks of unskilled and poorly paid laborers, thus forcing down their wages by increasing the competition among them.

While productive, however, of all these wrongs and social and industrial evils, it defeats itself. Extreme wages in any trade are sure to attract craftsmen and experts from other countries to share them, and fill the places which would otherwise be occupied by Americans learning the craft in this country. It thus works unmixed wrong and evil to the growing youth and the whole laboring class of the country, without a solitary compensatory advantage to the guilds which inflict it.

But still further. The success of such unions is not so much, as it is often described, a successful struggle of labor against capital as of laborers against laborers,—of a comparative small set of laborers against all other laborers,—inasmuch as its success lies in compelling the latter to pay out of their wages, thus reduced by increased competition, the monopoly prices extorted from all classes for the commodities or services which embody the labors of the monopolists. This is the most favorable view that can be taken of its effects on society in general.

These monopoly wages cannot, however, be long enforced without strikes. In the long run they are impotent unless enforced by the violent prevention of other laborers from taking the place of the strikers, and thus infringing, as already indicated, on the fundamental rights of man in a manner which no government can fail to crush out by the last exertion of its power, without being recreant to its trust.

It is further demonstrable that strikes, while they involve all these evils, even if successful, cannot permanently, or on a large scale, accomplish their object. It is admitted that in particular cases they may extort temporary wages, whether just or unjust, greater than would otherwise be attainable, because such disasters would ensue to the employer from even the briefest loss of his hands, in a certain stage of his work—as in planting, harvest time, critical conditions in the process of manufacture, building or the fulfillment of contracts—that the employer must submit to the extortion, or to intolerable losses. But

such cases are exceptional, and unjustifiable unless the strike is in response to an unexpected lowering of wages, in violation of the contract, express or implied, under which they entered into the work. But in the long run it is impossible that strikes should effect any advance in wages which would not have been sooner and with more advantage accomplished without them. Such strikes must occur upon a falling, stationary, or rising labor market. If upon a falling labor market, this simply means that employers cannot pay existing wages without loss, and the number seeking employment at existing rates exceeds the wants of employers. To refuse to work in order to compel employers to pay rates which would make their business unprofitable is about as wise as to attempt to reverse the law of gravitation or stop the ebb-tide. The strikers only deprive themselves of employment and wages during the period of enforced idleness; and in most cases only relieve their employers of the embarrassment of accumulating an unprofitable and unmanageable surplus stock. On the other hand, if the labor market be stationary, *i. e.*, if there be merely a demand for the existing amount of labor at present prices, then those who pay more than this rate will be undersold by others who procure labor for making the commodities they produce at current market rates. Those who make labor scarcer and higher by refusing to work, do so at the cost of losing more wages during their idleness than they can possibly make up by any increase of wages they thus obtain on returning to their work.

In a rising labor market strikes are wholly unnecessary to secure the rise of wages to which this properly entitles the laborer. If labor can be profitably employed at an advance of rates, the competition of employers for this labor will lead them to bid against each other for it till the highest point is reached at which it can be profitably employed. Beyond this it cannot permanently rise or continue, any more than water can rise above its own level. The only permanent equilibrium is that of the equality of supply and demand. Free competition will compass this with far less friction and greater benefit to all parties than the violent and disturbing agency of strikes, irrespective of the evils and wrongs, before enumerated, which they bring in their train.

The foregoing considerations apply to trades-unions and to strikes as remedies for the grievances of laborers in all occupations. They apply in full force to them when applied to that industry which is occupied in running railway trains. But they suggest only the merest minimum of the mischief, wrongs and devastation they occasion when brought to bear in enforcing control of this particular branch of industry.

Here let it be borne in mind that this control for the purpose of enforcing monopoly wages beyond the average for equivalent service, quantity, quality and responsibility considered, which the labor market can sustain, can only be effected by disabling the road in some way from running. It is not enough that the strikers themselves refuse to run its trains. They must prevent others from running them, either by direct lawless coercion, or by taking violent and lawless possession of the road, or its rolling stock, or putting the latter into conditions or positions in which it cannot be used, or used only by the strikers, or under their direction. Rails may be torn up, switches spiked, locomotives put out of gear or left deserted, with cars, passengers and freight far from round-houses, water-tanks, fuel, so that the road cannot be restored to use till great loss and injury, if not suffering, have been inflicted, not merely upon its owners, but the public who use it. Now this not only damages the particular road concerned and its immediate patrons, but the whole network of roads of which it is a part, including in it such railroad property, amounting to hundreds of millions, and not only this, but the hundreds of millions of property that depends upon the quick railroad transportation, on the faith of which it has been produced. It stops the respiratory and circulatory organs of the body politic, and inflicts upon them as certain prostration and disablement as taking the breath and blood out of the natural body. All industrial, social, commercial, and even governmental agencies are shaped with reference to the locomotive, and its lines of movement over the vast stretches of our national territory, just as much as with reference to the continued flow of our great navigable water-courses, and the winds and currents, the steam and seamanship which render them the facile motors of man and his products where they can meet his wants and desires. The violent seizure and stoppage of them by mobs

is a menace and defiance of government itself, and, if carried out, would more effectually disable it than an invading army. It would paralyze its coercive power—thus its sovereignty. For in war everything depends on the mobilization of armies and the material of war by railroads. A large part of the battles in modern warfare are waged for the possession of railroads which are the key to the issue, because the key of access to soldiers and supplies. During the late great strike the State and National Governments were in a number of instances not only defied, but temporarily disabled by the strikers from transporting troops on the railroads to the points where they were needed to suppress the riots; and this to an extent which shocked and alarmed the public. Where, then, would our Government be, if its railroads were once in the hands of those who could and would prevent their use by the public authorities for the movement of the troops necessary to preserve public order, and the persons and property of the people? But this is precisely what the great Brotherhood of Locomotive Engineers assert to be their right and prerogative if the railroads do not concede their demands. They can enforce them by piercing the jugular vein, and striking death into the business, the industry, the subsistence of the people, nay, of the Government itself. And this is to be determined by their head-centre and a few confederates and satellites, whose edict, issued from some secret chamber, ordering the cessation of railroad trains and the seizure of them by the marauders who wrest them from their owners, strikes as much consternation through the heart of this great nation, as the most despotic ukase of the Czar of all the Russias spreads among his subjects.

And is a free people about to sit tamely under such a despotism, and allow their persons, property, liberty, government to be dependent on the beck, the caprice of a junto of men, who stand ready to strike in the dark, from their secret conclave, at everything we hold dear, our very altars and our firesides, no one knows when? Can we endure such an organization among us, reaching with its iron sceptre and Briarean arms over the country, and deserve the name of freemen? And whatever else may be necessary in the way of railroad reform, whether at the hands of our State or National Governments, should we rest until this monstrous usurpation, and fomenting

cause of social disorganization, of mobs and riots, of evils, of which the experience of last summer gave us a fearful lesson, be abated and abolished?

Even as we now write, some ominous mutterings of an intended railroad strike this autumn, to be planned and ordered by this junto, and made universal through the country, sends a shudder through the heart of the people. Will they tamely endure such a tyranny and bear such a yoke thus? If they will, who shall say that they do not deserve it? To no class of people are railways such a boon as the poor. These can least afford to be deprived of them. Will they assist in such deprivation? Dr. Chapin well said, "The locomotive is a great democrat."

This brings us at once to the question forced upon the attention of the country by the late strikes and riots, "What is the relation of the railroads, and of those who in any capacity run and control them, to the Government, whether that of the States through which they pass, or of the nation?" Thus far railroads have been chartered, and controlled exclusively by the laws of the States in whose territory they are; and originally, in nearly all instances, they have been chartered with reference to the interests and convenience of the people of the States in which they are respectively located. But, from the necessity of the case, the people of each State desired roads having a continuous connection with roads running through conterminous States and Territories. Hence it has resulted that these roads, in themselves and their connections, run continuously through the country in great trunk, with manifold branch lines. Whatever different corporations may have the original control of the sections of the trunk, or the several branch lines, it is apt to result in this, that any given system or net-work of roads constituting trunk and branch lines comes virtually under the great original trunk line, of which all the rest are branches or extensions. This is a natural result of the far greater economy and efficiency of a single and harmonious, than of a fragmentary and discordant control.

Hence, it has come to pass that, although *per se* State institutions, they are the great arteries of inter-State commerce; so that vastly more commodities pass through them from State to State, and through States and Territories from ocean to

ocean, than through navigable streams and water-courses. This being so, it of necessity follows that *so far forth and no further* they come under the jurisdiction of the General Government, through that clause of the National Constitution which gives it control of commerce between the States. This has long been evident to thoughtful publicists; as, also, that exigencies must ere long arise which would make it clear to all, that the General Government could not long delay the assertion and exercise of that control. This truth has been thrust upon the mind of the country by the recent strike and riots, and has compelled recognition from many who leaned to the extremest views of State sovereignty, and therefore could brook no interference by the General Government with railroads. It is perfectly evident that if States allow mobs and lawless men, by the illegal seizure of railroads, to stop inter-State commerce through them, to prevent the transmission of mails or of Government military forces and supplies, the General Government cannot permit it. It is in duty and by the Constitution bound to re-open communications, to protect its mails and its contractors in carrying them, alike in justice to itself and other States whose prerogatives and just rights are thus infringed. Would it tolerate for a moment any parties or States in obstructing the navigation of our great rivers? and can it tolerate them in causing or permitting the obstruction of railroad transit after it has become so established and so vast, that the stoppage of it works vastly greater wrong and injury to other States than would result from the damming up of the Delaware, Ohio, or Missouri Rivers? Is it said that it is time for the General Government to interpose when asked to do so by the State Government? But suppose the State Government, owing to the sympathy of many of its voters with the mob, refuses to suppress the riot, or open the obstructed railroad on which vast numbers of the people of other States and vast quantities of property and the mails themselves are dependent for movement to their destination! Is the General Government to suffer all this without failing in its duty to protect inter-State commerce? On what ground, then, did the U. S. Supreme Court, in the great case of *Gibbons vs. Ogden*, deny to New York, in a decision which has ever since been the unquestioned law of the land, the power to prevent the steamboats of

other States from traversing its navigable streams? What is to be done, if the municipal authorities of the States indict the soldiers who fire upon the mobs as murderers, as they have already done in Scranton and Pittsburgh?

But care must be taken not to stretch this Governmental control of inter-State commerce beyond its due intent and proper limits. It certainly involves the right and duty, when other means are unavailing, of protecting these corporations in the possession and use of their roads and their belongings for those great public and private uses for which they were constructed and their charters given. It includes the power of police, when the States fail to exercise it, and of guarding them against perversion, even by their owners or others who would frustrate the very ends for which they were chartered and invested with corporate powers. But does it go further, and warrant such a disposal or regulative control of this property by the Government, State or national, as essentially to impair or virtually to destroy it?

It is quite natural that much crude thinking and speaking should appear, on the introduction of this subject to the public mind, which will give way to juster views as the subject comes to be more thoroughly discussed and carefully digested. Thus, one scheme that has been proposed is the establishment of a bureau by the Federal Government to adjust the controversies between labor and capital, or at all events between railroads and their employés. But how can such a bureau settle these controversies authoritatively, without infringing on the rights of the owners of the railroads and their employés? How can they compel laborers to accept of given wages, and what right have they to compel railroads or other capitalists to pay any given wages to their employés? And would not the admission of such a right be tantamount to the admission of a right on the part of this bureau to destroy the value of this species of property altogether? And if by this process railroads become bankrupt, as the feebler ones certainly will, what then? What then? What but that they will be abandoned by their owners, and practically withdrawn from use or annihilated? And who will risk capital in building any more railroads, if the result is only to expose them to legislative confiscation? And where does the Constitution confer any such right as this?

Because the Federal control of internal commerce invests Government with the right and duty to keep navigable waters open to water-craft owned in any of the States, does this confer the right to determine the wages that shall be paid to the seamen who man the vessels, or the mechanics who build them, or the owners of the docks which accommodate them, so as to render them worthless? This, so far from regulating, would ruin inter-State commerce. The same is true of railroads, many of which are, at the present wages of workmen and with their present business, on the verge of ruin.

Some journals, whose general ability and soundness only render such a proposal the more astounding, actually propose that the National Government shall apply the Granger legislation of some Western States, which has already ruined several railroads and permanently stopped the construction of new ones, to the whole railroad system of the country. No project could be more visionary or ruinous, and, as we firmly believe, unconstitutional. What clause in the Constitution gives such a right as this? Is it said that the U. S. Supreme Court has upheld such legislation in the Granger States? It has only upheld it in those whose constitutions expressly confer the power of fixing freight and passenger rates on the legislature, and with reference to railways chartered since the adoption of these constitutional provisions. These thus became a part of the provisions of the charter of every road afterward chartered or constructed. But it has not been pretended that such legislation could be applied to other roads not chartered or built subject to such conditions, without violating that article of the National Constitution which prohibits any State from passing laws impairing the obligation of contracts, and from taking private property for public uses without compensation. If the State governments which gave them being cannot impose such exactions upon them, how can the National Government?

If it would be unconstitutional, it would also be in the last degree inexpedient, unjust and ruinous. It is impossible to fix on any rate of charges, which, if reasonable at some times, places and circumstances, would not be utterly unjust and ruinous under other conditions. Thus some roads or sections of them are built at immense cost through deep rock cuttings or tunnels, or by means of enormous embankments, expensive

bridging, or with heavy outlays for right of way, while others, in whole or in part, are built over level tracts of cheap land, with little bridging, so that the cost of their road-bed is but a tithe of the former. Then the grades may be so steep and the curves so sharp as to render the cost of moving trains and keeping the road up, double in the one case what it is in another. Then, still further, the business on one road, or part of the same, may be double, triple, or ten-fold that of some other part, rendering it practicable to do a paying business on this part at a vastly lower rate of charge than on the other. These grounds for different charges on different roads, or sections of the same road, have been immensely enhanced by our vicious and fluctuating currency. This renders the same nominal rates of transportation at different times very different in reality, since the same number of legal-tender dollars at one time are worth twice as much as at others—and the railroads themselves must in the latter case pay double the quantity of them for the same service, materials, and other outlays in the maintenance of roadway and transportation. The imposition and enforcement of any uniform rate of transportation upon different roads, or section of the same road, would be in the last degree unjust, oppressive and ruinous. If carried out, it would demoralize and largely sweep away most of the railroad accommodations of the country.

No legislation or interference of the General Government is needed beyond the protection of the property, so that its owners can possess and use it for the purposes for which it was authorized to be constructed—the transportation of persons and commodities for a reasonable compensation, and the protection of those who are ready and willing to labor upon them and run their trains, against all molestation and mob-violence in this useful service. This once thoroughly done, all other questions will be adjusted on the principle of free competition for public patronage and the desire to obtain a remunerative business. It is quite certain that the road will be kept open for the convenience and accommodation of the public to the full extent for which the public is willing to pay. This is the contract made by the State with the investors in railroads, as understood by, and therefore binding upon, all the parties, when no other express stipulation or condition is put in their char-

ters: viz., that, as a consideration for risking or investing their capital in these hazardous enterprises for the public accommodation, they have the State's right of eminent domain conceded to them to the extent of taking for public use the land necessary for its construction, on making due compensation therefor, and of determining the charges to be made for transportation. Unless the abuse of this power be flagrant, so as to frustrate the very ends for which the charter of the road was given and its franchises conferred, the State cannot, except as an act of mere despotism, wrest these privileges from them, unless in the exercise of its power to take private property for public uses, on making, and only on making, due compensation. But one remedy the State and the people always have which is sure to be applied in cases of flagrant and incorrigible abuse, and this is the building of competing roads. These are sure correctives, vastly more efficient and reliable than all other forms of legislative interference or usurpation. This is evident enough when we consider that already the principle has been carried so far in causing the construction of competing roads that they are rapidly not only checking, but consuming each other, until scarcely one-quarter of the railroads in the country pay any interest on their stock, and vast numbers are defaulting on their bonded indebtedness.

And just here we come in sight of the boundary beyond which competition itself gets overdone, and, like so many things good within proper limits, becomes evil when carried beyond them. This has come to pass in respect to the four great trunk lines which compete for the immense carrying trade between the Atlantic cities and those great north-western and central produce and trade marts, Chicago and St. Louis. By their internecine contest for the through business which centres at these points, they force it down to rates below the mere expense of transportation, leaving out of account remuneration of the capital employed. Such a process continued long enough must force the roads into bankruptcy, unless offset by proportionate charges at other non-competing points. Hence they are constrained at points where they have the power, to exact to the uttermost the privileges of monopoly, or the highest charges for serving the public which can be imposed without driving away their patronage. This works

wrong and evil every way. The people of the non-competing points chafe under such exorbitant charges, not only as such, but because they are thus put at a disadvantage in comparison with those on the same line of road more distant from market, and who use twice or thrice, in some cases ten times, the length of road used by themselves in moving their products to market. And here, it may be admitted, is just cause of complaint and irritation. That the farmers and manufacturers of Central and Western New York should see their own railroads used to enable the cultivators of the cheap lands of the West to get their grain and other commodities to market at less cost than themselves, and thus virtually to undersell them, is too much to be borne patiently. Very much of the prevailing discontent with railroads is due to precisely this cause. And it has been said, we know not how justly, that the supineness of the authorities and inhabitants of Pittsburgh in the first outbreak of the riot, whose unrestrained progress has cost them so dearly, was largely due to the discontent with high prices they were compelled to pay for transportation in comparison with places far more distant from the seaboard. Other causes were at work and powerful, such as the trades-unionism of public officials and the laborers who swelled the mob, and the desperate malignity of the tramps, communists and criminals, who were drawn to the riotous assemblages like tigers attracted by the scent of blood, and who seized the chance for high carnival afforded by the riot for their own demoniacal orgies and depredations. But undoubtedly the first cause largely explains a certain degree of that at least passive sympathy with the strikers and rioters, at which, more than all else, thinking men stood aghast. Surely this evil of excessive competition at certain points, always inducing oppressive and offensive monopoly at others, must be corrected before railroads can be on a right and secure footing with their employés and the people. The reduction of freights from this cause was one of the main causes which necessitated the late reduction of wages on the great lines, out of which the strike grew. Excessive competition at competing points thus aggravates monopoly at non-competing points. What is the remedy?

One is, that the competing roads pool their earnings, on the basis of fair charges, at competing points, so as to do each a

fair business for a fair compensation. This they attempt every now and then ; but some direct or indirect breach of the contract by one of the parties re-opens the strife in more than its former intensity and destructiveness. It is to be hoped that dire necessity will constrain the great companies to agree in adopting this as a permanent remedy. But if they do not, a simple enactment that no rates should be charged at non-competing points higher, *all things considered*, than from competing points, would probably cure the evil. Proper statutes, tribunals and methods would need to be provided to show what is and what is not a violation of this rule. Such legislation, the necessity for which is to be deprecated, and which we trust the wise precautions of these great corporations will hereafter render needless, would rather be regulative for the purpose of insuring the proper uses of railroads as public institutions for the benefit alike of their owners, employés, and patrons, than the assumption of that arbitrary determination of rates by the legislature, which amounts to a power of confiscation, and would be quite certain to gravitate toward that result, unless arrested by the salutary fear of stopping all further investments of capital in railroads. Such arbitrary enactments would, when not specifically provided for in the charter, become a breach of faith.

And here we may say that while we have been strenuous to defend railroad property, not less than all other, against all agrarian and communistic exposure to confiscation, whether direct or indirect, by mobs or under the forms of legislation, and to insist on the same protection for it in the possession and control of its owners as for all other property, yet we fully recognize that, consistently with all this, railroads are public institutions for the public benefit, and therefore, so far subject to public regulation, that they may serve the public uses for which they were chartered, in a degree in which private corporations are not ; but not in any such way as subjects them to direct or indirect confiscation any more than manufacturing corporations. They are invested with certain high prerogatives. Like other roads, they can take the property of others for their own uses, upon due compensation, because they are also, and primarily, for public use. They are invested with such other powers as are necessary to their accomplishing the ends for which

they were chartered—the rapid and safe transportation of passengers, mails and freights. This gives the State the right, and imposes upon it the duty, of both protecting them in the discharge of these functions and of preventing and stopping abuses, which, so far from aiding, hinder the purposes of their creation, and are alike hostile to the interests of their owners, employés and the public. Thus, one present source of embarrassment to many railroads is the incubus of private companies, made up largely of their managers—such as palace car, fast freight, railway stores and supplies companies—which sponge out the profits of the companies and contribute much to their present embarrassments. It is reported that the Pennsylvania Company is putting an end to this. There is no doubt, still further, that some of our hitherto wealthiest and most prosperous corporations are now prostrated by the magnitude of their fixed obligations to leased lines, which by no means earn what they cost, and by the leasing of which, at rates far beyond any market value, some of the managers of the great roads leasing them made vast sums of money, by buying up the stock at low rates before other parties became aware of the intended lease. The power to leech roads by their managers in such ways does not belong to the original franchises which are necessarily conferred by railroad charters. Legislatures should be slow to grant such power, unless clearly required for the public good; and when given, this should be on terms which prevent its being made a fraud on the public and on stockholders. Its policy should be to restrain and prohibit all arrangements which fleece the stockholders and the public for the benefit of managers, or other parasites which have fastened upon them to eat out their substance.\*

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\* We find the following in a Pittsburgh journal :

The Chicago *Tribune* publishes the report of an interview with a prominent railroad official of that city, in which he says that if the trunk lines would establish a fair schedule of freights, and firmly and honestly adhere to it, they could all do a living business. Being asked if the roads would abide by any compact they might make, he replied: "There is the rub, the rock upon which we have so often split. If we could do away with this throat-cutting business and enter into honorable competition, every line could afford to pay its servants twenty per cent. more than it does now, declare a dividend twice a year, reduce its indebtedness, and in a few years run its stock up to par value." He gave as another reason of the present small profit in the railroad business that the roads maintain so many expensive "suckers," or fast freight lines. On this point he said:

If in these ways some of the managers of railroads or portions of them have thrived at the expense of the roads or their owners; if in such ways and by such means their ability to keep up the accustomed wages of employ es has been lessened or destroyed, or has so appeared to these employ es, it is no wonder that the latter should take such a reduction ill at the hands of such employers, and feel strongly impelled to resist it by all means in their power, without stopping to consider very scrupulously the lawfulness of their methods. And all the more so, if they see the officials retaining without material decrease the enormous salaries which many of them succeeded in procuring to be voted to themselves in flush and extravagant times. There is no reason why the salaries of officers and heads of such corporations should remain at the same number of dollars at which they were put in inflated times, when a dollar was worth but half what it was previously and is now, and the companies themselves were receiving a high-flown income; why, having been raised from five to ten, and from ten to twenty, and from twenty to forty thousand dollars in such circumstances, they should not revert to somewhat of their former proportions, under a still greater shrinkage in the business and profit of the companies, and in the income of stockholders and of people generally. A mere ten per cent. reduction of a twenty or twenty-five thousand dollar salary leaves its subject in a very different relative position from a reduction of like percentage upon wages running from one to five dollars per day. Making all allowance for difference of station, re-

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“The expenses of a road appear on the surface to be light, but when you come to consider the innumerable auxiliaries to a well regulated road—the whole grist of ‘suckers’—you will be astonished to know that even a nickel is earned above expenses. Each railroad has three or four or more ‘lines’ hanging to its skirts, and these lines have separate establishments, and separate managers, officials, clerks and runners. They are in themselves, to all intents and purposes, thoroughly organized institutions, and are only secondary to the railroads on whose tracks they run. It costs money to run these lines, but competition has created them and made them appear as a necessity. Are they? That is the question now agitating railroad circles. If the roads would pool east and west bound earnings, then these lines would be short-lived, since there would appear no field for their operations. They are, to all intents and purposes, the drummers of the railroad companies, and they engage in the vocation with the same pertinacity of purpose as do the brass-jeweled gentlemen known as ‘commercial travelers.’ This line question is one of the nuts which railroad corporations will have to crack ere long.”

sponsibility, gifts, expenses and the like, it still remains true that in the former case it cuts far less to the quick than in the latter. We dislike, but none the less feel bound, to say this. Without being experts ourselves, or expressing a positive judgment of our own, we only repeat a very wide expression of the declared judgment of most competent men, that no man's services are in these times worth to any company \$30,000 per year, or so valuable that others equally competent and faithful may not be found ready to discharge them for a less sum. While taxes and business depression are eating out the income and destroying the dividends and threatening the safety and solvency of vast numbers of corporations, the question ought to be pressed, Have the salaries of their head officials been adjusted to the times, or shrunk from the swollen dimensions of inflated times, as they should have been?

When, at a recent meeting of the stockholders of a company which, after long and high prosperity, had by imprudent expansions been hurled down to the verge of bankruptcy, it was announced that the president's salary was \$25,000 per annum, with no hint of any reduction, it was no wonder that the stock forthwith fell in the market, notwithstanding the emphatic endorsement of the management by the stockholders. We have no doubt that a searching reformatory process is called for in connection with evils and abuses that have stealthily crept into railroad construction and management, as well as other corporate institutions and enterprises, and which it required something like the recent catastrophes to lay bare and correct. It would be strange if, in the unprecedented sudden growth of this great interest, which has fairly gridironed this vast country with iron tracks, and brought fabulous fortunes to many of their builders and managers, it had not been so; not merely as such opportunities attract unprincipled schemers and grabbers as surely as the carcass will draw the vultures, but because so many who would shrink from all direct plunder, all that has the aspect of positive fraud, dishonesty or theft, are not slow to avail themselves of opportunities of enrichment, which, though not a direct or palpable trespass upon the property of the stockholders, are indirectly and really such, even if not seen or suspected to be so. What vast quantities of railroad bonds have been sold, the impression being con-

veyed to the buyer that they were backed and secured by a large *bona-fide* paid-up stock capital—the real fact being that they were backed by stock on which little or nothing had been paid, but which, if it became valuable, would enrich the holders who had paid nothing; if the enterprise proved unsuccessful the bondholders would be the only losers, thus reversing the true, honest order, and giving the chances to the stockholders or mortgagors while throwing the risk upon the bondholders or mortgagees? And while there have been justifiable cases of stock dividends representing earnings used in construction, undoubtedly there have been great abuses in watering stock.

Here is a wide range for thorough reforms in order to weed out from these corporations all extravagance, nepotism, indirect sponging of their profits, and frauds upon their owners, and to put them upon the most strict and rigid business footing. All mismanagement of this sort, however, is a wrong done by managers to the stockholders, not to the employés. The former suffer a thousand grievances compared with the latter. Indeed, the latter suffer only indirectly, and in some small reduction of their wages; the latter suffer directly and immensely. As a consequence, probably nine-tenths of the railroad stock, and a large proportion of the debentures of the railroad companies of this country are unproductive, and have for the most part, only a nominal or remotely prospective value. This acts, indirectly, indeed, upon railroad employés, by diminishing the ability of the companies to pay generous wages. Yet, so long as the wages are actually up to or in advance of the average wages paid in other employments, as was the case with the operatives who struck last summer, we can see no justification for the strike, much less for the mobs and violence called into being to enforce it.

Yet the responsible nature of railroad service requires a certain grade of capacity, skill and fidelity in the employés. And in order to this, they must have wages adequate to that sort of support which will keep body and mind in a healthful condition. It will not do, therefore, to follow the labor market down to any and every depth to which it may sink, in gauging the wages of trainmen. The safety of the lives and property conveyed on them cannot be ensured without the ex-

ercise of that watchfulness which strains attention to the utmost. This cannot be expected of half-fed or overworked men. It is essential, too, that engineers, conductors, and leading operatives on trains feel alike a pride and interest in their roads, their trains and engines, if the highest efficiency be secured.

Now this loyalty to their vocation and high fidelity to the interests entrusted to them are never secure so long as they are under superior obligations to any other organization so shaped as to be liable to antagonism with their employers. On the other hand, these may well be secure if they are detached from their fealty to these outside and hostile bodies, and if their interests come to be bound up inseparably with the prosperity of the companies which employ them.

In order to this, it is desirable that the employés of the great companies should have, in connection with the company employing them, an accumulating provident fund, furnished partly by contributions from the company, and partly by a small percentage on the wages of the employés, which shall combine some of the essential features of savings-bank and life insurance, and from which, in case of disablement or death, they or their families will receive a certain proportionate allowance or pension. Let vacancies as far as possible be filled by the promotion of the most meritorious from the lower to the higher positions, and as far as possible let new recruits for the service be from the families of existing employés, so that they will look to it with considerable confidence as affording a field for their children after them; these privileges, of course, all to be forfeited by those who leave the service for any cause but disablement or death. Let this, or some substantially equivalent arrangement, be the basis of the relation between railroad employers and employés, and with this identity of interest, antagonism between the railroads and their employés would cease, and the fell spirit of trades-unionism and strikes would be exorcised. The special hazards of running railroad trains also call for some such provision. The Reading Railroad has already initiated something of this system, and, although in the very centre of strikes and riots, has kept up an unprecedented activity of production and transportation, with low wages for labor. This method has long been practised

with marked success on the Eastern Railroad of France. We are glad that the attention of railroads in this country has been directed to the system employed on this French road, in general and in detail, in a lecture delivered in Paris in 1867, by M. F. Jacquin, manager of the road, a translation of which has recently been published in the *Railroad Gazette* of the City of New York. See also *New York Times* of Sept. 18, 1877.

It is quite common to speak of these, and other collisions arising from the unrest of laborers, as outworkings of the conflict between labor and capital. They are not such at all. There is no conflict between these as such. They are mutually auxiliary; capital supports labor, and labor utilizes capital. Either is useless and helpless without the other. The more there is of each, the higher is the bid or reward it will offer for the help of the other. The real conflict is between employer and employé, either of whom may or may not be a capitalist. The carpenter's tools are capital—his own capital. He can do nothing without them. Yet he may be employed by one who has less capital than he. The employer may even borrow capital of his employé, and such loan may have been the consideration inducing such employment of him at certain wages. As between employer and employed, of course, each wishes to make the best terms he can—the one to get the best service he can for his money, the other the most money he can for his service. But what can be more insane than to destroy capital, to burn up property, for the purpose of increasing wages or bettering the laborer? It were as wise to kindle a fire around a powder-house in order to protect it.

There is but one solution of the labor question, and that is, for all to go to work forthwith at the best rates and in the most agreeable occupations open to them which employers can afford to offer them. This will bring production to its maximum in forms and at rates that are marketable—it may be at low rates—so that working at low prices, numerically, they can exchange their labor for commodities likewise as low as the labor which produces them. While men remain idle and produce nothing, they can of course have nothing. The effort to prevent the wages of labor from falling to what employers can pay for it without loss, has done more than all else

to aggravate and protract the financial distress, the depressed condition of labor and capital, for the past four years.

To this may be added as next in baleful influence our fluctuating currency, which, now that it has so nearly reached the standard of the honest money of the world through causes beyond the control of politicians or speculators, is certain, if not interfered with by Congressional tinkers, to be soon once more convertible with coin. But a large, and we fear preponderant body are striving to debase our money again to its former depreciated and fluctuating condition. What does it mean? Was ever such madness? Has God delivered us over to judicial blindness that we should be unable to see that a promise to pay a dollar binds us to pay it; or that we should be left to believe that an enactment of our rulers can make permanently irredeemable paper, silver worth ninety per cent. of gold, and gold itself equally valuable, and capable of floating side by side as currency? *Quem Deus vult perdere, prius dementat.*