

TAKING THE RAILROAD MOGULS FOR A RIDE

Old-Time Railroader Hails New Pamphlet Which Gives Cause and Cure for Crisis in the Industry

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In preparing *Railroads in Crisis: A Program for Re-employment, Rehabilitation and Government Ownership*, the Labor Research Association has done a splendid piece of work. The document presents at once a masterful analysis of the causes of the crisis in the railroads and a practical solution of the problem. It is a booklet that the general public and especially every student of the railroad question, as well as the workers in the industry, should place among "immediate must" reading. More than that, it can well serve as the basis for a railroad legislative program by trade unions, farmers' organizations and other groups under pressure of the railroad exploiters.

The pamphlet puts its finger upon the major causes of the present critical plight of the railroad industry and the railroad workers; namely, monopoly control and over-capitalization. With a wealth of documentation, it shows that the railroads are enormously overcapitalized and that 80 per cent of the Class 1 railroad mileage is controlled by the Morgan and Kuhn-Loeb groups of bankers.

Bankers Brought Crisis

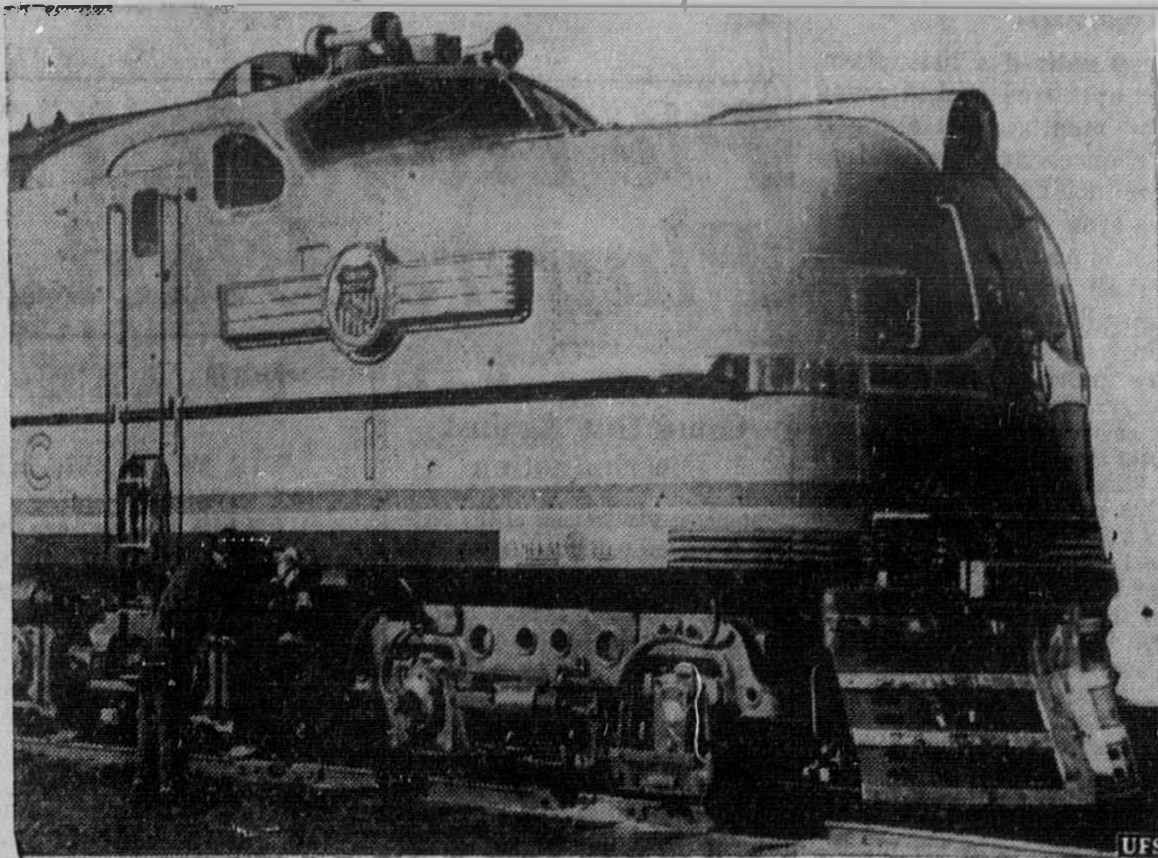
These great bankers, who have rigged up their top-heavy capital structure and monopoly control by long years of stock watering and other crooked financial manipulations, have only one objective in mind in operating the railroads—to squeeze out more and more billions of dividends and bond interest on their over-swollen securities. To this end they have speeded up the body of working railroaders, laid off a million others, allowed the railroad service to deteriorate, and kept freight and passenger rates screwed up to prohibitive levels. The general result is the present railroad crisis. Contributing factors also to this crisis have been the decline in traffic generally due to the business depression and the competition of buses, trucks, pipelines, etc.; but the main causes are as indicated.

The new pamphlet, pulling no punches, shows the real remedy for the railroad crisis is government ownership, and it presents a practical plan both for taking over and

operating the railroads. It also offers an immediate program for rehabilitating the roads and for furnishing employment to the huge



J. A. Oliver, railroad engineman, estimates that he has traveled 2,000,000 miles around Atlanta, Ga. For 50 years he has run a switch train engine in the yards of the Southern Railway, averaging 100 miles a day.



THIS NEW TYPE of streamlined electric locomotive, which uses a steam turbine plant to generate electricity for its six driving motors, was demonstrated before railroad men in Erie, Pa., and attained 125 miles an hour. Assertion was made that it could travel from coast to coast on a bathtub of water. It generates 5,000 horsepower and is said to be twice as efficient as the conventional locomotive.

number of railroad workers now jobless. These immediate measures consist of three general phases, namely, improvement of the physical properties (engines, cars, stations, tracks, etc.) of the railroads, elimination of grade crossings, and raising of the purchasing power of the railroad workers. This same re-employment and rehabilitation program it is proposed to finance by loans from the federal and state governments and by assessments upon the railroad companies. The whole development, under close control of the government, would constitute a long step towards the nationalization of the roads.

Pamphlet for All Workers

It is high time that the Roosevelt government and the trade union movement work out a practical railroad program. This pamphlet provides a real basis for it. The railroad legislation now pending in Congress, which the conservative railroad union leaders are actively supporting and the New Dealers are letting slip along, is made up of the proposals of the railroad companies and is distinctly in their interest.

Thus it is obvious that the main

transportation bill, which has passed both Houses and is now in the hands of a conference committee, and the center of which is an attempt of the railroads to strangle competing truck, bus, and water lines, is a railroad company proposition which, if finally written into law, cannot possibly benefit the railroad workers, the small shippers, or the public at large. The same thing is true of the pending bills to give the railroads a free hand in freight and passenger rate-making and in bringing about railroad consolidation at the expense of the workers' jobs, as well as extending the companies' virtual subsidies in the shape of low rate, unsecured federal loans.

Apparently, as a result of the rejection of the recent demand of the railroad companies for heavy wage reductions for their workers, there was some kind of a bargain arrived at by the railroad union leaders to give the companies legislative concessions in exchange, with the result that we have the several pending railroad measures in Congress, which are all inspired by and in the interests of the great railroad bankers.

If such an agreement was actually

entered into it was certainly a very short-sighted proposition, one which in no sense conforms to the interests of the railroad workers, of labor in general, or of any other section of the tolling population. The need for a real railroad program is intense, one which will really deal with the situation fundamentally and will operate to the advantage of the people, and not the parasitic bankers. The new pamphlet, *Railroads in Crisis*, is the answer to this need. Sooner or later labor and other forces interested in a sound railroad program will be compelled by force of circumstance to begin to work along the lines which this valuable research lays down. The pamphlet is the very best thing to be had on the railroad crisis and what to do about it. And let me emphasize again the fact that it is a pamphlet for all of us and not just for railroad workers and those immediately affected by the railroad crisis.

RAILROADS IN CRISIS: A Program for Re-employment, Rehabilitation and Government Ownership, by Labor Research Association, International Publishers, 48 pages, price 10 cents.