

**QUESTIONS OF THE DAY  
SERIES. NO. LXI. RAILWAY  
SECRECY AND TRUSTS**

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Questions of the Day Series. No. LXI. Railway Secrecy and Trusts by John M. Bonham

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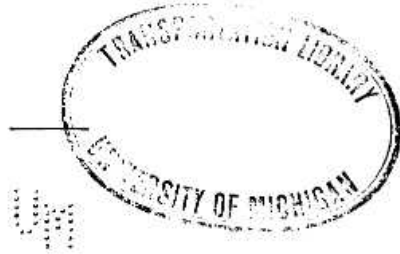


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QUESTIONS OF THE DAY SERIES. No. LXI.

# RAILWAY SECRECY AND TRUSTS

BY  
*Milton*  
JOHN M. BONHAM  
AUTHOR OF "INDUSTRIAL LIBERTY"



NEW YORK & LONDON  
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1890

## PREFACE.

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IN dealing with the subject of railway secrecy and its relation to Interstate Commerce legislation, it has seemed to me to be necessary to make frequent applications of the fundamental rule of equal industrial liberty. Whilst some repetition is thus employed, if this conduces to a better understanding of the subject I may hope it will be overlooked.

I do not wish to be understood in any thing I say as favoring hasty remedial legislation. I am quite aware that sudden dealing with even great and real evils often involves grave disturbances in the body politic, and may seriously affect rights which are in no way responsible for the existence of these evils. Moreover, any legislation upon so comprehensive a problem, to be thoroughly remedial, must reach its adaptations through slow and tentative means. My aim is rather to contribute, as far as I can, to a better understanding of what, in my opinion, constitutes the chief evil of railway management;

and it has seemed to me proper to divest the problem, as far as possible, of the consideration of mere detail, in order that thus I might the more clearly indicate the foundation upon which reform should rest, and the direction in which, by deliberate stages, it should progress.

JOHN M. BONHAM.

NEW YORK, January 1, 1890.

## CONTENTS.

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	PAGE
CHAPTER I.—THE TRANSPORTATION PROBLEM . . . . .	9
Fundamental Principles—The Relation of Trusts to the Problem—Two Classes of Trusts—The Permanently Vicious Elements in Trusts of the First Class—Secret Alliances with the Railways—Trusts of the Second Class; Their Tendency to Destroy Themselves—Illustrations—Corporate Form and Amount of Capital not in Themselves Necessary Evils—The Tariff and the Trust—Strikes and Corners—The State and the Remedy.	
CHAPTER II.—EXISTING RAILWAY MANAGEMENT . . . . .	36
Mr. Charles Francis Adams' Statement of the Case—Evasions of the Interstate Commerce Law—The Systematic Character of Railway Secrecy—Corporate Secrecy and Individual Privacy—The Opportunity in Railway Secrecy for Unlawful Discriminations—The Failure of Honest Management under Existing Conditions—The Reasoning of the Railway Managers in Justification of Present Methods—Its Effect upon Business Morals—The Origin and Evolution of the Existing Status—The Impossibility of Reforming the Inherent Evil of Railway Management by those in Control of the Railways.	
CHAPTER III.—PUBLIC RESPONSIBILITY FOR EXISTING EVILS . . . . .	59
The Desire for Physical Convenience, and its Influence on Railway Development—The Confusion of Causes and Incidents in the Multiplication of Conveniences—The Changes in Public Opinion, and their Expression in Hostile	



State Legislation—The Interstate Commerce Law, and the Methods Employed to Evade its Provisions—Mr. Adams on the Workings of the Interstate Legislation—His Proposed Remedy through Legislative Sanction to Compacts between the Railways—The Inefficiency of Such Remedy, and its Violation of Fundamental Right—The Corporation as an Arbiter of the Right of the Citizen—The Necessity for a Supervising Power at once Efficient and Disinterested.

CHAPTER IV.—THE GOVERNMENT AND THE RAILWAYS . . . . .

81

The Claim of the Corporation to Immunity from Examination—The Proper Limit of State Interference—Paternalism not Involved in Such Interference—The Inadequacy of Past Legislation—The Character of the Necessary Legislation—Public Sentiment in its Bearing upon the Stages of Railway Development—The Early Opposition to Railways—The Era of State Aid and Encouragement—The Period of Railway Oppression and Retaliatory Legislation—The Beginnings of the Period of Examination into Political and Economic Principles.

CHAPTER V.—THE EFFECTS OF STATE INACTION . . . . .

106

The Relation of Government Inaction to the Growth of Co-operative Organizations—The Activity of Railway Managers in Enlarging their Interests and Power—The Enlargement of Trunk Lines not Objectionable—Objections to the Consolidation of Trunk Lines—The Effect of Consolidation on Industrial Right—The Present Stage of Public Opinion as Derived from Past Experience of Railway Methods—The Argument from Analogy in Favor of State Supervision of Railways—The Inadequacy of Legislation Directed against the Trust as Such—The Source of the Evil in Secret Combinations of the Trust and the Railway—The Necessity of Government Interference to Prevent Such Combination—The Advantages of Initiative Federal Action, and the Probable Necessity for a Constitutional Amendment—Centralization not Implied in Such Federal Legislation.

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## THE TRANSPORTATION PROBLEM.

Fundamental Principles--The Relation of Trusts to the Problem--  
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Trusts of the Second Class; Their Tendency to Destroy Them-  
selves--Illustrations--Corporate Form and Amount of Capital  
not in Themselves Necessary Evils--The Tariff and the Trust--  
Strikes and Corners--The State and the Remedy.

THERE is one method, and I think only one, that will enable us to arrive at an ultimate and comprehensive realization of the transportation problem. It is to subject all expedient and intermediate policies to a rigorous application of fundamental principles. This method is not fraught with any great difficulty. These principles are themselves not abstruse or hard to understand; nor is their application to the problem difficult. Moreover, the remedial process which is thus invoked, so far from involving

any surrender of industrial activity, or from lessening any true industrial advantage, will rather tend to stimulate a more wholesome growth, and at the same time secure more permanent and more widely diffused results.

Let us assume that what we need above all things, as the first condition of political and industrial well-being, is a republican government, not only in form, but in essence; a government with all the sanctions that are necessary for political freedom. Let us assume that this political freedom means the real industrial equality, before the law, of every citizen; his equal security in person and property. And in order that my meaning as to what constitutes equal industrial right may be entirely definite, I will say that such right does not pre-suppose any equality among men in respect to individual skill or business capacity; nor does it have to do with the amount of individual or associated capital. It does import the exactly equal right of each citizen to the exercise of the skill with which he may be endowed, and to the employment of the capital of which he may be possessed. Any organization, political, corporate, or associate, which tends to interfere with industrial equality, must submit to such restraint as is necessary to make its methods consistent with this equality; and this restraint will have to be