

**RAILROAD  
TRANSPORTATION: ITS  
HISTORY AND ITS LAWS**

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Railroad Transportation: Its History and Its Laws by Arthur T. Hadley

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**ARTHUR T. HADLEY**

**RAILROAD  
TRANSPORTATION: ITS  
HISTORY AND ITS LAWS**



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RAILROAD TRANSPORTATION

ITS HISTORY AND ITS LAWS

BY

*winning*  
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Transport.

## PREFACE.

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THIS book deals with those questions of railroad history and management which have become matters of public concern. It aims to do two things: first, to present clearly the more important facts of American railroad business, and explain the principles involved; second, to compare the railroad legislation of different countries, and the results achieved.

The two things need to be viewed in connection with one another. The attempt to manage railroads without regard to the demands of public policy, or to legislate concerning railroads without regard to the necessities of railroad business, results in disastrous failure. This fact has been gradually recognized by thoughtful men on both sides. But it has been hard to get any comprehensive view of the subject in its different aspects. The brilliant book of C. F. Adams, Jr., stands almost alone; and even this treats of but a few questions among many. The man who would really study the subject, must seek his material among hundreds of different arguments and reports; many of them extremely able, but few of them easy of access, and still fewer at all complete in themselves.

It was to meet this want that the author first undertook to deliver a course of lectures on Railroads and the Social Problems connected with them. Part of the material of these lectures is here presented to the public.

One of the pleasantest things in the whole work has been

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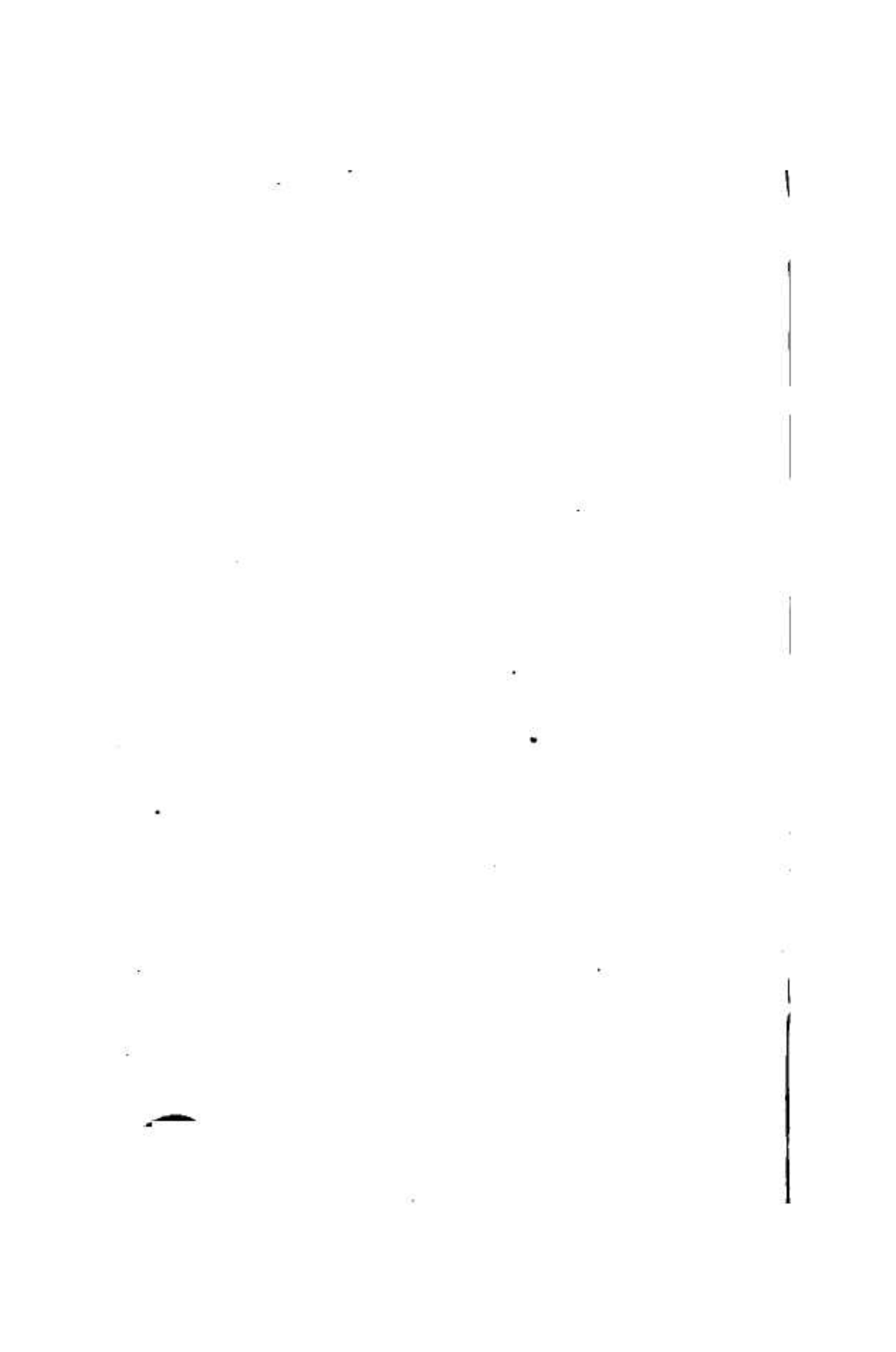
the cordial help which the author has uniformly received from men, in all positions, to whom he has had occasion to apply for information. Special acknowledgments are due to Mr. S. Wright Dunning, of *The Railroad Gazette*, for constant suggestions with regard to the work, as well as for the ready permission to use material which has appeared, both signed and unsigned, in the columns of his journal.

NEW HAVEN, CONN., Oct. 1, 1885.



## CONTENTS.

CHAPTER	PAGE
I.—The Modern Transportation System . . . . .	1
II.—The Growth of United States Internal Commerce . . . . .	24
III.—Railroad Ownership and Railroad Speculation,	40
IV.—Competition and Combination in Theory . . . . .	63
V.—Competition and Combination in Practice . . . . .	82
VI.—Railroad Charges and Discriminations . . . . .	100
VII.—Railroad Legislation in the United States . . . . .	125
VIII.—The English Railroad System . . . . .	146
IX.—English Railroad Legislation . . . . .	163
X.—Railroad Policy in France . . . . .	187
XI.—The Railroad Systems of Central Europe . . . . .	203
XII.—Railroad Legislation in Italy . . . . .	219
XIII.—Results of State Railroad Management . . . . .	236
Appendix . . . . .	259
Index . . . . .	267



# RAILROAD TRANSPORTATION: ITS HISTORY AND ITS LAWS.

## CHAPTER I.

### THE MODERN TRANSPORTATION SYSTEM.

Its importance in history—Growth of the postal service—The telegraph—Merchant shipping—Substitution of steam for sail—Invention of railroads—Misunderstanding as to their real character and uses—Changes since 1850—Consolidation—Railroad extension—Development of business—Reduction of rates—Widened field for speculation—Growth of large cities and large establishments—Discrimination—Jealousy of railroad power—Characteristics of railroad legislation since 1870.

A. de Foville: "De la Transformation des Moyens de Transport." Paris, 1880.

E. Sax: "Die Verkehrsmittel in Volks- und Staatswirtschaft." Vienna, 1878.

F. X. v. Neumann-Spallart: "Uebersichten der Weltwirtschaft, Jahrgang 1881-2." Stuttgart, 1884.

ON the fourth of July, 1828, Charles Carroll, last surviving signer of the Declaration of Independence, laid the first rail of the Baltimore and Ohio Railroad. One man's life formed the connecting link between the political revolution of the last century and the industrial revolution of the present.

The second reaches wider and deeper than the first. Yet there are few who realize its full importance, or who seriously try to understand it. A new system of com-