

AFD Ep 440 Links and Notes - Railroad Labor (feat. Justin from WTYPP) - Recording Sept 18, 2022 [Bill]

As we record this, many listeners will be aware that the United States has been in limbo in recent days and weeks on a possible nationwide strike of railroad workers. They're currently evaluating a proposal from the presidential emergency board mediators. We've talked previously on our show about various historic crises of labor relations in US railroads through the 19th and 20th century, including [a bonus episode last year](#) that I will be releasing publicly alongside today's episode about the emergency legislation in 1916 from Congress that created the eight-hour railroad work day and (astonishingly was held up by the US Supreme Court of that era). That points to a key feature of railroading labor history that has come back to prominence in the news of the current disputes: railroad workers have traditionally worked within a completely separate system of federal laws and regulations concerning their labor rights, benefits, working conditions, and more. Even the process of a potential strike and potential resolution to the crisis is completely different from most other sectors and industries in the United States. Today on the show, to explain why this came to be and what the material basis of the current dispute is, I'm joined by returning guest [Justin Rocznik](#) of [the engineering disasters podcast](#) "Well There's Your Problem." who is – like me – cursed and blessed to be a rail fan and left-wing material history enthusiast. Justin, welcome back to the program. [...] So, let's get right into this. Before we break down the current dispute and its specific origins, what is the legal environment for any potential US railroad strike like this and why is it (and why has it historically been) totally distinct from almost every other aspect of US labor law?

Some links from Bill:

https://en.wikipedia.org/wiki/Railway_Labor_Act

<http://arsenalfordemocracy.com/2022/09/18/unlocked-apr-13-2021-the-adamson-act-arsenal-for-democracy-ep-365/> Notes/sources for that episode:

<http://arsenalfordemocracy.com/wp-content/uploads/2022/09/Bonus-AFD-Ep-365-Links-and-Notes-The-Adamson-Act-of-1916-Rail-Hours-Legislation.pdf>

<http://arsenalfordemocracy.com/2022/03/15/mar-15-2022-westinghouse-air-brakes-arsenal-for-democracy-ep-417/>

<http://arsenalfordemocracy.com/2020/07/07/july-5-2020-the-great-railroad-strike-of-1877-and-the-long-depression-arsenal-for-democracy-ep-315/>

Rail nationalization:

<http://arsenalfordemocracy.com/2018/05/08/may-8-2018-arsenal-for-democracy-ep-224/>

Understanding the formation of interstate railroads and interstate commerce:

<http://arsenalfordemocracy.com/2020/05/12/may-10-2020-the-early-us-oil-industry-part-3-rail-rat-e-wars-arsenal-for-democracy-ep-307/>


Our Amtrak sub-episode:

<http://arsenalfordemocracy.com/2021/12/27/dec-26-2021-1971-recap-arsenal-for-democracy-ep-405/>

<http://arsenalfordemocracy.com/2021/04/18/apr-18-2021-the-great-railroad-shop-strike-of-1922-arsenal-for-democracy-ep-366/>

<http://arsenalfordemocracy.com/2021/03/01/feb-28-2021-the-illinois-central-shopmens-strike-of-1911-arsenal-for-democracy-ep-354/>

<http://arsenalfordemocracy.com/2021/02/02/unlocked-feb-2-2021-early-us-rail-electrification-feat-justin-from-wtypp-arsenal-for-democracy-ep-347/>

 Well There's Your Problem | Episode 7: Lac-Megantic
Recent Justin appearances on the potential US rail strike:

[CROSS POST with WORK STOPPAGE POD | Shop Floor Discussion 6 - National Rail Strike w/Justin Rocznia](https://www.youtube.com/watch?v=...)

<https://soundcloud.com/thismachinekillspod/192-why-the-trains-dont-run-on-time-ft-justin-roczniak>

Upcoming Justin appearance will be on: <https://www.youtube.com/c/GarethDennisTV/videos>

Some notes from Justin if you want to look up more:

how we got here 1990-now

E. Hunter Harrison, the Lenin of Precision Scheduled Railroading

Railroad strike of 1992

traffic increases - powder river basin coal, bakkan crude

2004 hiring spree

technology makes longer trains possible

industry problems:

PSR theory vs. reality

Theory: Better asset utilization by way of tightly scheduled freight trains. Trains may bypass intermediate terminals for quicker and more efficient railroad system. A competent and well-staffed planning department targets bottlenecks on the railroad for infrastructure improvements. Trains run faster, with better on-time performance. Crews have better schedules (reduces "extra board" duties since most trains run on schedules) shippers get their stuff quicker. Everyone wins and makes a lot of money

Reality: "What if we take out the good stuff where we have to spend money and only do the bad stuff where we don't have to spend money"

Technology allows the railroads to do some dumb things instead of putting down track

Monster trains

https://www.progressiverailroading.com/bnsf_railway/article/Class-I-railroads-continue-the-longer-train-trend--55035

Reduces need for crews at the expense of clogging up the railroad network and rendering passing sidings useless.

Increased derailments from too long and badly assembled trains - especially on Norfolk Southern

Trains are held in yards longer for more cars to show up - every train runs as an extra now (mention that viral video from los angeles maybe?)

Fuel economy-focused driver assist systems which can split or derail trains and endanger train crews

Essentially Tesla Full Self Driving Beta for trains

too long trains, enabling technology

labor issues

unpredictable shifts

wasted time

Arbitrary discipline (guy written up for looking at a food package for too long etc.)

"hi viz" system

attrition (anecdote about UP steam program)

drug tests are an anachronism

viral crime videos in los angeles earlier this year

A history anecdote from Bill: The Nickel Plate Scam

- Calvin S. Brice chapter from "The Road of the Century" (by Alvin F. Harlow, 1947)
 - Brice was one of the many Civil War veterans turned lawyer-finance guys with a knack for doing the railroad fundraising version of traveling medicine shows. Along with another huckster (and future Ohio Governor and disastrous US Treasury Secretary) Charles Foster Jr, Brice made a hostile takeover of an already bankrupt railroad startup and reorganized it over the 1870s with legal shenanigans, while aggressively raising funding from municipal bonds for infrastructure development (often taking a 50% sales commission!) and from Wall Street stock speculators (via the Seney Syndicate) in an amount that could never realistically be paid back, paid himself a boatload of money, built the Nickel Plate railroad as fast as possible before inevitable bankruptcy, and deliberately built it to be a direct next-door competitor to the Lake Shore railway that was part of Vanderbilt's network of legally separate railroads in personal union under his control, dominated by the New York Central. This competition risk forced Vanderbilt to buy the Nickel Plate just to keep it from being used to undercut shipping rates on his own line, especially if it entered receivership which had even lower rates, and he couldn't even get a particularly amazing deal on the purchase because the Pennsylvania Railroad was also potentially interested in buying the line too. This Nickel Plate scheme was far from Brice's only scam, although it did at least produce a reasonably usable rail line, unlike some of his other scams that tended to do the bare minimum work required to legally keep municipal bond money spent on the projects. Foster notably continued to be a co-investor in Brice's various scam railroads even while literally serving as Governor of Ohio. Brice himself certainly did not give up his railroad investments during his one term as a US Senator for Ohio, which like many of his peers of that era he easily purchased from the state legislature. He also served as DNC Chair prior to being a Senator.
- https://en.wikipedia.org/wiki/Calvin_S._Brice (this absurdly hagiographic biography on Wikipedia is not a very chronologically or contextually accurate summary of his business career since it ignores the 1870s and his pre-existing business relationship with Foster)
- https://en.wikipedia.org/wiki/New_York,_Chicago_and_St._Louis_Railroad
- [https://en.wikipedia.org/wiki/Charles_Foster_\(Ohio_politician\)](https://en.wikipedia.org/wiki/Charles_Foster_(Ohio_politician))