
Anthony Roland DeStefanis
College of William & Mary - Arts & Sciences

Follow this and additional works at: https://scholarworks.wm.edu/etd
Part of the Transportation Commons, and the United States History Commons

Recommended Citation
https://dx.doi.org/doi:10.21220/s2-keth-2f22

This Thesis is brought to you for free and open access by the Theses, Dissertations, & Master Projects at W&M ScholarWorks. It has been accepted for inclusion in Dissertations, Theses, and Masters Projects by an authorized administrator of W&M ScholarWorks. For more information, please contact scholarworks@wm.edu.
TRAINS, TRUCKS, AND TRAFFIC JAMS:
THE RISE OF AUTOMOTIVE TRANSPORTATION, 1880-1956

A Thesis
Presented to
The Faculty of the Department of History
The College of William and Mary in Virginia

In Partial Fulfillment
Of the Requirements for the Degree of
Master of Arts

by
Anthony Roland DeStefanis
1996
APPROVAL SHEET

This thesis is submitted in partial fulfillment of the requirements for the degree of

Master of Arts

Approved, December 1996

Edward P. Crapol
Richard B. Sherman
Philip Funigiello
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preface</td>
<td>iv</td>
</tr>
<tr>
<td>Acknowledgements</td>
<td>viii</td>
</tr>
<tr>
<td>Abstract</td>
<td>ix</td>
</tr>
<tr>
<td>Introduction</td>
<td>1</td>
</tr>
<tr>
<td>Chapter I. The Railroads, Progressivism, and Regulation</td>
<td>11</td>
</tr>
<tr>
<td>Chapter II. Roads to the Future: The Birth of the Interstate Highway System</td>
<td>33</td>
</tr>
<tr>
<td>Chapter III. Eight Hoover Dams and Six Sidewalks to the Moon: The Battle for the Interstate Highway System</td>
<td>59</td>
</tr>
<tr>
<td>Conclusion</td>
<td>76</td>
</tr>
<tr>
<td>Bibliography</td>
<td>85</td>
</tr>
</tbody>
</table>
PREFACE

While researching this thesis, I drove to Richmond, Virginia to examine documents at Virginia Commonwealth University. Just as I exited the highway in downtown Richmond, my car broke down. I ended up sitting on a street corner waiting for a tow truck as an elderly gentleman wearing a red bandanna and not much else tugged on a cigarette while preaching about sin and temptation to no one in particular.

This experience helped me recognize that my work up to that point lacked a complete understanding of how the automobile became the dominate means of transportation during the twentieth century. Getting stranded in Richmond also convinced me that I had to explore the late nineteenth and early twentieth centuries. This was a period, unlike my own, when locomotives dominated and automotive transportation was still in its infancy. The railroads’ reign, however, did not last. I argue that during the 1950s, the Eisenhower administration neglected mass transit and ignored railroad objections while promoting highways as the solution to the nation’s transportation problems. The Federal-Aid Highway Act of 1956 initiated construction on
the interstate highway system, which played a key role in creating a society dependent on the automobile.

So as I sat on that street corner in Richmond, I realized that I had fallen victim to America’s dependency on the automobile as I tried to uncover the root causes of that reliance. Had I considered taking a bus or train from Williamsburg to Richmond? Did either means of public transportation run routes that would have been convenient for me? The answers to these two questions were no and I have no idea. My first (and only) thought was to get in the car and head up Route 64, which, incidently, was built as part of the interstate highway system.

My goal became to explore how the automobile effectively replaced the locomotive as the nation’s primary means of transportation. Answering this question entailed looking at how the relationship between business and government evolved during the first half of the twentieth century. I found that throughout this period, many railroad companies welcomed government efforts to regulate their industry. The federal government was also quite willing to protect the interests of businesses deemed essential to American economic prosperity. During the early twentieth century, the railroads were just such an industry.

The Progressive Era established a relationship between transportation interests and government that remained in place during the following decades. This relationship
changed, however, as other methods of transportation
developed.

Railroad regulation had stabilized the industry, but it
also made the railroads unresponsive to competition from
other modes of transportation. By the 1950s, the railroads
were in decline as trucks and automobiles took away larger
and larger portions of their freight-hauling and passenger
customers. These industries, along with tire and oil
companies, jelled into a powerful lobby that demanded
government support for a new, federally-funded interstate
highway system to serve intracity as well as intercity
transportation needs. The railroads opposed this plan
because they understood that a new highway system would
enhance truckers' ability to make deliveries quicker and
cheaper, thus allowing the trucking industry to take even
more business away.

But the "highway lobby" managed to overcome railroad
opposition to the interstate system as well as opposition
from urban planners and other highway critics who advocated
mass transit solutions to urban transportation problems.
The federal government had deserted the railroads for the
trucking, automobile, tire, and petroleum industries because
these interests represented the American economy's future.
This shift in governmental attention helped produce the
Federal Highway Act of 1956, the interstate highway system,
and a society dependent on automotive transportation.
ACKNOWLEDGEMENTS

This paper began as a somewhat desperate attempt to find a Master’s thesis topic after my original project proved unrealistic. I remembered reading somewhere about how the interstate highway system had changed American society and thought examining how this change came about would make a good topic. Later on, I realized that the book containing this reference to the interstate system had nothing to with highways, trucks, railroads, progressivism, or anything else this thesis covers in detail. That book was Theodore White’s *Breach of Faith: The Fall of Richard Nixon*. So my first thanks goes to Theodore White for somehow managing to wedge a reference to the interstate highway system into a book about Richard Nixon’s demise.

Professor Edward Crapol has been an ideal adviser. I thank him for his support and guidance, especially during my first year at William and Mary.

Professor Richard Sherman’s careful reading of an early draft was most helpful. His comments undoubtedly improved this thesis. I also owe a debt to Professor Philip Funigiello for reading the final draft. Thanks also to Emily Mieras for her helpful comments and suggestions.

Finally, I would like to thank Angela and Anthony DeStefanis, Jr. for supporting their son’s experiment with graduate school. Without their advice, encouragement, and sense of humor, I would have stalled out long ago.
ABSTRACT

Over the past forty years, the automobile has become the means of transportation that Americans rely on most. The 1956 decision to build the interstate highway system played a key role in creating this dependency. Explaining why the Eisenhower Administration and Congress supported the interstate system's construction requires looking first at the late nineteenth and early twentieth centuries, a period when railroads dominated and automotive transportation was still in its infancy.

During the late nineteenth century, farmers living on the newly-settled Great Plains found themselves dependent upon bankers and railroad companies. Mid-western farmers turned to the federal government for assistance in creating equitable business relationships with the nation's railroads. Most railroads, however, sought to turn reform efforts in their favor by supporting regulation that eliminated the competition that had made the railroad industry so unstable during the late nineteenth century. Realizing that the railroads were essential to future economic security and prosperity, the federal government generally supported railroad efforts to establish regulatory law that helped stabilize the industry while significantly increasing profits.

The Progressive Era established a relationship between transportation interests and government that remained in place during the ensuing decades. This relationship changed, however, as other methods of transportation developed. By the 1950s, the railroads were in decline, behind the surging trucking and automobile industries. These industries joined forces with powerful oil and tire companies to form a powerful lobby that demanded and received government support for extensive highway construction at the railroads' expense. The federal government was still willing to protect and promote the interests of big business, but truckers and automobiles had replaced the railroads as the most important providers of transportation. With these industries leading the way, Congress approved the construction of the interstate highway system, which, in turn, helped produce a society dependent on automobile transportation.
TRAINS, TRUCKS, AND TRAFFIC JAMS:
THE RISE OF AUTOMOTIVE TRANSPORTATION, 1880-1956
INTRODUCTION

Over the past forty years the automobile has become the means of transportation that Americans rely on most. The motorcar's dominance becomes evident when one turns on a television or opens a newspaper. The glut of automobile advertisements threatens, at times, to overtake the airwaves and the pages of print publications. Another glut, the one on the nation's highways, further illustrates America's reliance on the car. Major traffic jams have become a common experience for residents of the country's major cities.

The car's preponderance has raised other concerns and difficulties. Smog and acid rain caused, in part, by automobile exhaust have become persistent problems. The automobile's primacy and the resultant demand for foreign petroleum has also weakened America's position in international politics. The 1973 Arab oil embargo and the Persian Gulf War demonstrated American susceptibility to economic warfare and the need to protect petroleum produced overseas.¹

¹John B. Rae's pioneering work on automotive history, The American Automobile (Chicago: University of Chicago Press, 1965) and The Road and the Car in American Life
These problems raise questions about how the United States came to depend on automotive transit. This dependency cannot be dismissed as simply the result of America’s well-known love affair with the automobile, although the reasons why Americans fell in love with their cars is a fascinating topic in itself. Automobile manufacturers often advertised their products in ways that appealed to middle-class sensibilities that emerged during the first half of the twentieth century. What could be more modern, or more masculine, than owning a machine? Cars also became powerful symbols of economic and social status that pulled middle- and upper-class Americans out of the train station’s and passenger compartment’s public space and into the personal, private space of the automobile. This new private space separated more affluent white Americans from the black and immigrant inner city dwellers who continued to ride public transportation. The automobile’s privacy also

---

(Cambridge, Massachusetts: Massachusetts Institute of Technology Press, 1971) sees the automobile and the expanded highway network as an egalitarian phenomena that enabled the burgeoning middle-class to escape the pressures of city life. For a more critical appraisal of the automobile, see James J. Flink, The Car Culture (Cambridge, Massachusetts: Massachusetts Institute of Technology Press, 1975 and The Automobile Age (Cambridge, Massachusetts, Massachusetts Institute of Technology Press, 1988). Daniel Yergin’s, The Prize: The Epic Quest for Oil, Money, and Power (New York: Simon and Schuster, 1991) examines the international consequences of America’s increasing dependency on foreign oil during the twentieth century while James A. Bill’s The Eagle and the Lion: The Tragedy of Iranian-American Relations (New Haven, Connecticut: Yale University Press, 1988) explores American efforts to assure its control of Iranian oil and the consequences of these efforts.
provided a new location for sexual expression that significantly changed courtship rituals among young people.

But exploring these aspects of the automobile’s ascent will have to wait because a full understanding of the automobile’s success cannot be achieved with exploring the relationship between business and government during the twentieth century’s first half. During this time period, the federal government’s transportation policies concerning highways and railroads evolved to create a business environment that favored automotive transportation. President Dwight D. Eisenhower’s 1956 plan to build the interstate highway system represented a major shift in American transportation policy because the federal government would pay approximately 90 percent of the new interstate system’s construction costs. The trucking industry led the tire, petroleum, and automobile industries in fighting for congressional approval of the interstate highway bill. Truckers saw the advantage a new, federally-funded highway system would give their industry and pounced on the opportunity to exploit the Eisenhower administration’s highway proposal.²

Railroad owners, however, opposed a federally subsidized interstate highway system. For almost thirty years, truckers had succeeded in taking business away from the railroads and by the 1950s, they presented a major threat to the railroads' future prosperity. Railroad owners promoted the idea that their inability to compete with truckers originated in the federal government's late nineteenth- and early twentieth-century efforts to regulate the railroad industry. Railroad leaders argued that the trucking industry encountered less government interference, which tilted the field of competition in the truckers' favor.3

But an examination of the relationship between the railroad industry and government during the Progressive Era tells a different story. In fact, many railroad owners and


public officials supported government regulation as a way of stabilizing the industry.

During the 1880s and 1890s, the railroad industry conducted business in an unstable and ferociously competitive environment. The industry's instability led to inefficient business practices that spawned bankrupt lines. The railroad industry also faced criticism from reformers who sought to challenge monopolistic business practices through government action. As the call for regulation became louder and louder, railroad leaders sought a method for using reform sentiment to their advantage. If popular opinion demanded regulation, then the railroads would exploit that sentiment to end destructive rivalries and restore order, stability, and most of all, profits.

Early twentieth-century progressives demanded regulation, but for different reasons. The Second Industrial Revolution spawned large railroad companies and the highly competitive conditions within this industry. Industrial capitalism also plugged farmers on the newly-settled Great Plains into the world market economy. These farmers found themselves dealing with and dependent upon bankers and railroads companies that often took advantage of them. The inability to acquire credit on reasonable terms and the unreasonable fees railroads charged for shipping grain and produce to market led to the Populist Revolt of the 1890s and the rural reform politics of the Progressive
Era. Mid-Western farmers and other shippers turned to their state representatives and the federal government for assistance in establishing equitable business relationships with the nations' railroads.\(^4\)

Progressives, many of whom held public office, wanted to reform large corporate monopolies because these monopolies limited economic opportunity and created a big business-dominated political system. Correcting these inequities would require government supervision of large corporations to ensure that all Americans could enjoy the highest degree of political, economic, and social freedom. Hence, support for regulation existed within the railroad industry and the progressive movement. Progressive animosity toward the railroads, therefore, did not mean that railroad owners attempted to block all efforts to regulate their industry.\(^5\)


Over a twenty-year period covering the administrations of Theodore Roosevelt, William Howard Taft and Woodrow Wilson, the federal government implemented regulation that created a stable, successful, and almost competition-free railroad industry. But the federal government enacted these regulations when the railroads possessed a virtual monopoly over American transportation. Regulation supporters did not recognize the harm these controls might cause when other transportation systems developed the ability to compete with the mighty locomotive. By the 1950s, the railroads were losing a significant portion of


their business to the trucking industry and a new, federally-funded interstate highway system would only enhance the trucker’s ability to take business away from the railroads.\(^7\)

During the congressional debate over the interstate highway system, the railroad industry found that it no longer could dictate federal transportation policy. Railroads were the nineteenth century’s mode of transportation. The automobile and the truck (along with the airplane), however, dominated the twentieth century. As a result, the railroads along with those who advocated mass transit alternatives for providing urban transportation and questioned the highway’s ability to help evacuate cities in case of nuclear attack lost their campaign against the interstate highway system. Although the decision to build the interstate highway system contained some questionable reasoning on the Eisenhower administration’s part, the trucking, automotive, oil, and tire industries convinced the administration and Congress that massive highway construction was absolutely necessary for the country’s future economic prosperity and military defense. Hence, the federal government had a consistent policy of promoting transportation and business interests deemed essential to economic prosperity. Government officials obliged

transportation and business interests in the 1950s just as they had during the century’s first two decades when enacting railroad regulation. By 1956, however, the businesses that attracted the government’s attention had changed.
CHAPTER 1

The Railroads, Progressivism, and Regulation

Over the past thirty years, historians have modified their views of efforts to regulate the railroad industry. The traditional position asserted that the railroads opposed federal control. In recent years, revisionists have questioned this argument. They suggest that government regulation was, in part, intended to stabilize the industry after its near collapse in the 1880s and early 1890s. Revisionists also maintain that railroad owners and executives generally favored federal efforts to obtain some control over their industry.¹

The railroads' incredible growth during the latter half of the nineteenth century coupled with the surge in speculation and instability within the industry help explain the railroads' endorsement of government regulation. The Industrial Revolution, which provided the capability to build railways, also fostered their development. As the American economy expanded during the nineteenth century, the demand for improved transportation also increased. The expanding nineteenth-century economy made every segment of society—from farmers who wanted their produce delivered quickly and cheaply to businessmen who wanted their factories' goods shipped to market or to either coast for shipment overseas—grew dependent on locomotive transportation. Accordingly, railways became indispensable to American economic prosperity.²

Despite the essential nature of their existence, the railroads experienced a variety of problems. Railroad construction soared during the 1870s and 1880s. Speculators purposely built new lines parallel to existing lines because

---


they knew the original lines' owners would buy the new ones for an inflated price in order to limit competition. Nevertheless, railways and rail companies multiplied rapidly, causing fierce rivalries between companies. Special rates, free passes for large shippers, low rates on bulk freight, and rebates—secretly negotiated reductions below published prices—became commonplace. Intense rivalries also caused bankruptcy and mergers that fostered inefficiency. As a result, the railroads failed to maintain their success. The panic of 1893 and the ensuing depression could not have come at a worse time. Many more rail lines went bankrupt, and those that survived teetered on the brink of extinction.³

These remaining companies sought the assistance of several prominent investment bankers. J. Pierpont Morgan’s New York–based banking house lent a substantial amount of money to railroad owners. In return, the railroads acquiesced to Morgan’s vision of the industry’s future configuration. J. P. Morgan despised competition. He arranged a traffic-sharing agreement among the remaining railroad companies and collected a $1 million fee for doing so. Morgan also eliminated rebates and other industry

³MacAvoy, The Economic Effects of Regulation and Kolko, Railroads and Regulation, 1877–1916, chapters one and two.
features that fostered competition.  

The railroad industry, however, remained relatively competitive throughout the 1890s. The 1893 Depression stimulated rate wars, as railways struggled desperately to remain afloat in an ever-shrinking market. In 1887, there were twenty-eight railroads with over a thousand miles of track. By 1900, forty-eight systems eclipsed the thousand-mile mark. A significant number of these lines remained independent of Morgan and managed to compete among themselves and with the railways that constituted J. P. Morgan’s dynasty.  

Like Morgan, many railroad owners wanted to eliminate even this lingering competition. They turned to the government as a two-fold solution that would stifle competition while solving the industry’s persistent financial problems. The continuous decline in shipping charges led railroad owners to consider using the federal government to stabilize rates after pools--voluntary rate and market share agreements between several lines--failed to produce positive results. Such agreements’ major

---


shortcoming was that, in an industry as cut-throat as railroading, one company or another would inevitably violate a voluntary rate arrangement. The federal government’s involvement in setting and enforcing rates would provide industry stability while working to reduce competition.

These solutions, however, conflicted with laissez-faire capitalism and free enterprise, two ideas that American businesses often supported. Moreover, business leaders like Andrew Carnegie connected the doctrine of Social Darwinism to the business world. Social Darwinism—philosopher Herbert Spencer’s application of Charles Darwin’s theory of evolution to social relations—argued that unrestrained competition was simply natural selection’s way of weeding out unfit businesses. Railroad owners, however, abandoned laissez-faire capitalism and Social Darwinism when their companies faced bankruptcy. Most railroad men were not interested in the intellectual significance of allowing government regulation; most were more concerned with solving immediate economic problems in the quickest manner possible.

---


The progressive movement, of course, concerned itself with a variety of issues. Turn-of-the-century reformers addressed social and cultural as well as economic and political problems. Progressivism also had different meanings in different regions of the country. For instance, rural progressives sought to rectify the injustices inflicted on farmers during the late nineteenth century. These farmers fed America's expanding work force and generated the foreign capital needed to finance industrialization, but they had not enjoyed the economic prosperity their toil had helped create. Farmers had little protection from railroad exploitation, the high cost of credit, and the burden of taxation. The grievances that kindled the Populist uprising of the 1890s had not been forgotten, and farmers saw the progressive movement of as a way of addressing these issues. At the same time, the urban areas that expanded with American industry were also centers of poverty, decay, and corruption. According to many reformers, these problems stemmed from America's rapid industrialization, the influx of immigrants from Southern and Eastern Europe, and the resulting decline in national morality. When critiquing industrialization, both rural and urban progressives expressed hostility toward the large

---

corporations that industrial capitalism had created.⁸

These criticisms, however, did not mean that railroad owners automatically became progressivism's adversary. Not all railroad leaders supported government initiatives to regulate their businesses and those who did could not always agree on the form that regulation should take. Railroads differed in many respects including their size, location, and specialization in passenger travel or hauling freight. These characteristics helped determine the various railroads' stance on regulation and differences between railroads often created disagreement. Nevertheless, most railroad owners never wavered from the principle that regulation was a positive step for their industry. Railroad owners simply had different reasons for wanting to obtain

the same objectives as progressives.  

The late nineteenth century unleashed intense public hostility toward large corporations, or trusts. This animosity spurred Congress to take action and, in 1887, the legislature passed the Interstate Commerce Act (ICA). The measure prohibited discrimination against shippers and localities, made charging more for a shorter haul than for a longer haul illegal, outlawed pools, and dictated the publication of all shipping fees. The new law also created the Interstate Commerce Commission (ICC) to oversee railroad activity.  

Sentiment among railroad owners toward the Interstate Commerce Act was mixed. Many did not approve of short-long haul clause while others disagreed with the clause against pooling because they believed that such agreements helped maintain stable shipping rates. The railroads, however, only had to live with the short-long haul clause until 1897. In that year, the Supreme Court overturned the prohibitions against long-short haul discrimination.  

---


10 "An Act To Regulate Commerce" (No Public Law Number, February 4, 1887) 24 United States Statutes at Large, 379-387.

The Interstate Commerce Commission also frightened some railroad men. The ICA contained several vague passages, which the Commission would have to clarify. Therefore, railroad owners expressed concern over President Grover Cleveland planned appointees to the Interstate Commerce Commission.12

Cleveland's choice of Thomas M. Cooley as the new commission's chairman eased the railroad owners' anxiety. A lawyer, Cooley had made his reputation as a theorist of government action's constitutional limitations. Furthermore, he had worked as a railroad administrator and knew the challenges that the industry faced as it headed toward a new century. Cooley's opinions and actions did not always support the railroads' position, but his tenure as chair set the stage for the relatively amenable relationship that developed between the railroads and the ICC over the ensuing two decades.13

As calls for reform became louder, Congress passed more railroad regulation. Three times during the new century's


13Thomas McIntyre Cooley, A Treatise on the Constitutional Limitations which Rest upon the Legislative Power of the States of the American Union (New York: De Capo Press, 1868); Kolko, Railroads and Regulation, 1877-1916, 47-48.
first decade, Congress increased regulation, but, contrary to popular opinion at the time, President Theodore Roosevelt was not an avid regulation supporter.\textsuperscript{14} In his first message to Congress, TR acknowledged that "the great corporations known as trusts are in certain features and tendencies hurtful to the general welfare." "It is true," he continued, that these corporations perpetrated "real and grave evils . . . and a resolute and practical effort must be made to correct these evils." Nevertheless, Roosevelt believed that Congress had to act cautiously when implementing regulation because "the captains of industry who have driven the railroad system across this continent have on the whole done great good to our people. Without them the material development of which we are so proud could never have taken place." A cautious approach was also necessary because "it cannot too often be pointed out that to strike with ignorant violence at the interests of one set of men almost inevitably endangers the interests of all."\textsuperscript{15} Roosevelt agreed that trusts hurt small businesses and limited individual opportunity, but he also believed that large corporations generated essential production and


\textsuperscript{15}Quotations from Messages and Papers of the President, 1789-1904, James Richardson, ed. (Washington, D.C.: Bureau of National Literature and Art, 1905) 10, 422-423.
industrial growth that helped secure the country's future economic success.

The reform efforts of the early twentieth century, however, compelled Roosevelt to seek government regulation of the railroads. Progressivism's popularity in the Mid- and Far West and the support federal action received from reform governors like Robert M. "Fighting Bob" La Follette of Wisconsin and Hiram Johnson of California also influenced Roosevelt's stand on regulation.16

In 1906, La Follette made an impassioned, pro-regulation speech before the U. S. Senate. He had just won election to a Senate seat and arrived in Washington as Congress began debating a piece of regulatory legislation that eventually became the Hepburn Act. La Follette contended, "The farmer knows that there is no open, free competitive market for anything he may produce. He knows he must accept the prices fixed by the beef trust and the elevator combination. He knows that both of these organizations have been given control of the markets by the railroads." Monopolies, La Follette continued, created injustice because people were forced to use the railroads to "market the products of his capital and his labor . . . on the terms fixed by the railway corporation. Or to say it

arrogantly and brutally, as did the president of the Louisville and Nashville Railway Company in his testimony before the ICC, that the public can pay the charge which the railroad demands, 'or it can walk.'" La Follette believed regulation legislation was extremely important because "the subject with which it deals goes to the very heart of the whole question. Out of railroad combination with monopoly and its power over legislation comes the perilous relation which Mr. Justice Brewer says 'lifts the corporation into a position of constant danger and menace to republican institutions.'"\(^{17}\)

Indeed, Congress designed the Hepburn Act (1906), along with the Elkins Act (1903) and Mann-Elkins Act (1910), to promote fairness within the railroad industry. The Elkins Act made shippers receiving discriminatory favors, such as rebates, subject to penalties and held railroad companies, not just their chief officers, responsible for violations. The act also made charging higher rates than those published a misdemeanor offense subject to court injunction.\(^{18}\)

The Hepburn Act increased the size of the ICC and gave


the commission authority to fix railroad shipping charges. Hepburn also made all ICC rate decisions binding, meaning that rail companies' only course of action was to appeal an unfavorable ruling in court. The Mann-Elkins Act, which received support from Roosevelt's hand-picked successor, William Howard Taft, created a special commerce court to hear railroad appeals of ICC decisions.¹⁹

Small farmers and merchants who formed the progressive movement's backbone in the Mid- and Far West responded enthusiastically to this legislation. But many railroad owners and pro-railroad congressmen also endorsed these initiatives. The Elkins Act reflected the railroads' distaste for rebating.²⁰ Alexander J. Cassatt, president of the Pennsylvania Railroad, made ending rebates his personal mission. He took a seven-year hiatus from railroading during the 1890s because the Pennsylvania refused to approve his plans to establish discipline within the Eastern railways. Upon returning to the business, Cassatt fought for and succeeded in bringing stability to

---


the eastern lines.\textsuperscript{21}

Even the Hepburn Act, which Roosevelt cited in the 1912 presidential election as an example of his progressivism, received mild support from some railroad leaders or was ignored altogether.\textsuperscript{22} The act's most important provisions extended rate-making powers to the ICC and made rate decisions appealable only in a court of law. The Senate debated these two stipulations extensively because many senators questioned their constitutionality. The bill's detractors argued that granting the ICC rate-making powers would give a regulatory agency legislative capacity. If the railroad industry had decided to organize against the Hepburn Act, they certainly would have had potent ammunition with which to criticize the bill.\textsuperscript{23} But \textit{Railroad World}, a trade publication that championed federal regulation, saw the Hepburn Act as non-threatening. The publication commented: "This Hepburn measure appears at present to be far milder than has been anticipated. If the amendments which are apparently insisted upon by the Senate . . . are adopted we can see nothing in the measure threatening the

\begin{footnotes}
\item[22]Wiebe, \textit{Businessmen and Reform}, 55-56.
\item[23]Ibid., 132-38; Hilton, \textit{The Transportation Act of 1958}, 4-5.
\end{footnotes}
Some even believed that the railroad industry had inspired the Hepburn bill. Senator Isidor Rayner of Maryland told the Senate that the railroads "suggested" key elements of the bill. Rayner's statement was difficult to prove, but this did not stop the New York Press from declaring that "[Rayner's comment] explains why the railroad lobbies did not raise a note of public or private protest against the Hepburn bill in the House." The railroads probably did not have any direct control over the Hepburn bill's content and the bill's defenders used progressive ideas as the main rationale for passing the Act. Still, some supporters of the Hepburn Act did not want to punish the railroads, which were still intent on stabilizing their industry and saw expanding the ICC's powers to control rates as a way of accomplishing this goal. A more realistic appraisal would regard the Hepburn Act as a popular piece of progressive legislation that railroads also supported.

Some railroad leaders also defended the Mann-Elkins Act despite President Taft's support of the bill. Taft had a trust-busting reputation and in the 1908 presidential campaign, spoke of strengthening the ICC's power to control exorbitant rates while the Republican platform also

24 Railroad World L (February 9, 1906), 123, quoted in Kolko, 134.

contained language to this effect. In an election year this anti-railroad, anti-trust rhetoric gained Taft progressive Republican support. After his election, though, Taft hinted that he supported a reduction in the ICC's powers. Taft's reversal put railroad leaders at ease, reassuring them that his railroad policy would not unleash anything radical or unexpected.²⁶

The railroads' positive relationship with the federal government continued even after Democrat Woodrow Wilson entered office in 1912. Wilson's emphasis on business competition and small government seemed to conflict with railroad interests. At first, Wilson did not pay a great deal of attention to railroad affairs, but his appointment of pro-rail conservatives to the ICC in 1913 and 1914 won approval from railroad owners. During this same period, railroad profits dropped precipitously and many within the industry began calling for a rate increase.²⁷ Wilson indicated his willingness to heed the railroads in a speech before Congress on January 20, 1914: "The antagonism between business and government is over. . . . The Government [sic] and business men are ready to meet each other halfway in a common effort to square business methods with public opinion

²⁶Wiebe, The Search for Order, 202-03.
²⁷Wiebe, Businessmen and Reform, 140-142.
and the law." Wilson was not speaking specifically about railroads, but his comments left the impression that he would listen to the industry's concerns.

Wilson's approval of shipping-interest lawyer Louis Brandeis's efforts to open railroad accounting books during the ICC's hearings on a proposed 5 percent rate increase strained this congenial atmosphere. But the ICC granted the increase in five states (the ICC eventually extended the increase to the entire Eastern territory), with Wilson's appointees leading the way to approval. Railroad profits increased significantly, but the "Five Percent Case" was important for one other reason: the ICC's decision expressed a duty to guarantee the railroads a "living wage."

Essentially, the ICC promised the industry a profit as long as they provided quality service at reasonable rates. The Interstate Commerce Commission's purpose had gone beyond just regulating the railroads to include protecting and assisting private business in securing a profit.

Railroad interests also defeated state regulation during Wilson's presidency. The rails wanted ICC rules to supersede any regulation that individual states might enact. Between 1902 and 1915, state legislatures passed almost

---


29Kolko, 210-211.
1,800 laws containing railroad regulation.\footnote{Interstate Commerce Commission, \textit{Statistics of Railways in the United States, 1916} (Washington: GPO, 1918), 98.} Trying to satisfy frequently contradictory regulations was extraordinarily difficult. Furthermore, the railroads encountered far more hostility in state legislatures than they did when dealing with the ICC. Railroad leaders had worked hard to cultivate a harmonious relationship with the ICC and did not want overzealous state lawmakers to undermine this alliance. In their efforts to confirm the ICC's position as the supreme being of regulation, railroad leaders denied any effort to circumvent the positive relationship between their industry and the federal government.\footnote{See Mansel Griffiths Blackford, "Businessmen and the Regulation of Railroads and Public Utilities in California During the Progressive Era," in Robert F. Himmelberg, ed., \textit{Growth of the Regulatory State, 1900-1917: State Federal Regulation of Railroads and Other Enterprises}, Vol. 3 of \textit{Business and Government in America Since 1870} (New York: Garland Publishing, Inc., 1994); Gabriel Kolko, \textit{The Triumph of Conservatism: A Reinterpretation of American History, 1900-1916} (New York: The Free Press, 1963), 5-6; Kolko, \textit{Railroads and Regulation}, 89-90, 202-225 for discussion of state efforts to regulate the railroad industry and the industry's desire to frustrate these efforts.}

In \textit{Houston E & W Texas Railroad Co. v. U. S.} (the Shreveport case) and the 1913 Minnesota rate cases, the Supreme Court sided with the railroads on state versus federal regulation but did not rescind the states' power to enact regulatory legislation. As Wilson campaigned for a second term in office, he called for a complete
investigation of state versus federal railroad regulation. Republicans went even further. In their 1916 platform, the GOP called for complete federal control, by constitutional amendment if necessary.32

World War I put this debate on hold. Wilson seized control of the rails, which transported personnel and materials for the war effort. The Wilson administration rewarded the railroad industry for its military service with the Federal Railroad Control Act of 1918. The ICC followed with a 25 percent freight rate increase that rapidly expanded railroad coiffures. Between 1916 and 1920, freight revenue per ton-mile rose from 72 cents to $1.07 and operating revenue from $2.7 billion to $5.3 billion.33

The Transportation Act of 1920 was also popular among railroad owners, although some of the largest, strongest railroads did object to the Act's recapture clause. The clause ordered all carriers earning more than 6 percent of the value of its property to pay one-half of the excess profits into an ICC fund for loans to smaller lines. The provision's intention was to aid smaller, weaker lines that could not turn a profit when following an ICC rate schedule established for all railroads. The stronger lines did not

32 George G. Reynolds, The Distribution of Power to Regulate Interstate Carriers Between Nations and States (New York: Columbia University Press, 1928) 137-42, contains a discussion of these two cases and their significance.

33 Kolko, 228.
want to pay into this fund, but other provisions of the Act helped mitigate their dissatisfaction with the recapture clause.\textsuperscript{34} The Transportation Act established a 5.5 to 6 percent profit margin as the minimum standard for railroad prosperity while furthering the 5 percent decision's principle of guaranteeing railroads a profit. The act also enlarged the ICC's membership, permitted pooling, gave the Commission power to set minimum fees, and established federal regulation's superiority in the areas of rate preferences and discrimination. Under the Wilson administration, railroad owners completed creating the conditions deemed desirable when the push for stability through federal regulation began forty years earlier.\textsuperscript{35}

When this quest began, turmoil and cut-throat competition that ate away at profits plagued the railroad industry. Realizing their desperate situation, rail leaders attempted to eliminate rivalries. Federal regulation became the means of achieving this goal. In the process, the ICC became a shield for the railroads against hostile local


Moreover, government regulation did not represent progressivism. The progressive movement sought to make society's dominant economic entities accountable to the people through government regulation and attempted to balance economic power within the country. But Congress and the various presidents who enacted railroad regulation between 1887 and 1920 did not always intend to achieve these goals. These men sought to bring order to a chaotic industry. Therefore, progressivism played an essential but incidental role in creating railroad regulation. Popular sentiment declared that monopolies like the railroad industry posed a threat to the average individual's economic, political, and social freedom. But when the nation's politicians looked at the railroads, they saw an economic force that had played a key role in generating unprecedented economic prosperity. Because the railroads were the nation's only transportation system capable of handling the demands of an ever-expanding economy, Congress and Presidents Roosevelt, Taft, and Wilson saw regulation as a way to guarantee the survival and prosperity of the railroad industry and the nation. Along the path to this goal, the executive and legislative branches indulged in rhetoric that expressed the desire to enhance individual opportunity and promote the general welfare. Implicit in this rhetoric was the idea that the general welfare would be
served if government protected the railroads' welfare.

Railroad regulation created an industry guaranteed a profit, but also made the rails exceedingly inflexible and unresponsive to competition. In the 1910s and 1920s, this inflexibility was inconsequential because competition had been virtually eliminated. But as other forms of transportation developed, government requirements such as rate publication and the restriction on changing these rates for a thirty-day period became serious obstacles to the railroads' ability to compete. Just as the railroads succeeded in guaranteeing their future success, another mode of transit--the motor vehicle--began to mature. Eventually, the changing nature of America's transportation demands would generate a marked decrease in federal concern for the railroad industry while creating enthusiastic federal support for highway construction aimed at meeting both interstate and urban transportation demands.  

---

In 1919, Army Captain Dwight David Eisenhower traveled across the country as part of a military convoy. The purpose of Eisenhower's journey was not to deploy troops or engage in any other activity typically associated with the armed forces. Instead, the objective of the mission was to point out the need for better roads across the United States. The army believed that modernizing the nation's road system would improve its ability to mobilize within the country's borders. The expedition encountered countless obstacles and revealed that the nation's roads were in need of major improvements.¹

Eisenhower's experience in Europe during World War II also influenced his thinking on transportation. He "had seen the superlative system of the German Autobahnen--national highways crossing that country and offering the possibility, often lacking in the United States, to drive

with speed and safety at the same time." Eisenhower often talked about the nation's highway system after his ascension to the presidency. He saw American roads as much improved since the 1919 convoy trip, but still inadequate to provide for the country's transportation needs. Eisenhower made improving the nation's roads an objective of his first administration. In doing so, Eisenhower identified automobiles and trucks as the mode of transportation Americans would use most in the coming decades. This belief led to a construction plan that viewed highways as a solution to urban traffic problems as well as a method of evacuating cities in case of nuclear attack. Many railroad and mass transit advocates raised objections to these sections of the administration's plan, but these interests found that Congress and the president did not listen to their concerns as attentively as they had during the Progressive Era.

The country's road system evolved from Indian paths and from trails that the first colonists carved as they began to move inland. Gradually, a road connected all the

---


colonies on which "post riders carried mail once a month (in summer) along the six-hundred-mile route between Boston and Williamsburg." The stagecoaches' popularity during the latter half of the eighteenth century brought more roads into existence. Railroads, however, led to highway neglect because the rails provided the best means of moving both passengers and freight over long distances.

The Duryea brothers' construction of the first gasoline operated motorcar in 1893 began shifting America's attention away from the locomotive and onto the automobile. There were 8,000 cars in the U. S. by 1900 and 458,500 by 1910. By 1925, Americans owned 20 million automobiles. In 1916, the federal government became increasingly involved in constructing roads. Federal aid to highways came with the condition that each state create a highway department responsible for choosing road locations. This initial aid program also established that the individual states and the federal government would split the cost of highway projects. The Department of Commerce established the Office of Public

---


Roads (later to become the Bureau of Public Roads) to oversee federal funding of highway construction. Many states imposed a tax on gasoline and the revenue from this tax was put aside specifically for highway construction.7

During the 1930s, the federal government struggled to build enough roads to keep up with the ever growing number of vehicles traveling America's highways. Two New Deal programs, the Civil Works Administration and the Works Progress Administration, constructed and repaired 500,000 miles of roadway. The Bureau of Public Roads also spent depression relief money while working with state highway departments to study expanding road demand.8

The Japanese attack on Pearl Harbor ended these efforts. During World War II, the United States used highways extensively to ship goods and raw materials to and from factories and to transport workers to and from their jobs. This crucial role in the war effort had a debilitating effect on the nation's highways. During the war years, Congress allocated no money for highway

---


construction and upkeep. At war's end, the country faced further problems as millions of GIs returned and began settling not in the cities, but in the suburbs. This migration greatly expanded the roadside economy that began developing during the 1920s to serve highway travelers. Fueling stations multiplied and motels and hotels achieved respectability as the American family took to the road on vacation. McDonald's sprang up to feed hungry travelers, and a new institution--the shopping mall--featured acres and acres of parking to draw customers out of the increasingly dangerous and congested cities.

Toward the war's end, the Roosevelt administration attempted to deal with highway deterioration. The Federal-Aid Highway Act of 1944 appropriated $1.5 billion for road rehabilitation, but this amount simply was not enough to solve the enormous difficulties that existed.

But the 1944 legislation did have a lasting impact on

---


how the federal government would manage highway affairs. Thomas H. MacDonald, the Commissioner of the Bureau of Public Roads, established the National System of Interstate Highways within the Federal-Aid Act of 1944. The interstate system's routes were a subdivision of the primary highway system and "connected all the major cities and production centers . . . and are the most heavily traveled in the country."\(^{12}\) Separating certain roads into a distinct group of interstate highways laid the groundwork for future road construction legislation that would focus on this interstate system. MacDonald also succeeded in setting aside a small amount of money ($125 million) for highways within urban areas. This action set a precedent that would also become important in the future.\(^{13}\)

By 1954, forty-eight million cars, and ten million trucks traveled American roads.\(^{14}\) But the highway system still could not meet those vehicles' demands and all those concerned agreed that the nation's highway network needed


improvement. Solving this problem became the mission of what has been described as the "most unique and massive coalition of single-minded pressure ever to hit the American scene." The "highway lobby," a diverse group comprised of interests including car manufacturers, oil companies, automobile and trucking associations, and state and federal road officials, agreed on one crucial point: the current highway system was obsolete and in desperate need of modernization. R. H. Baldock, a member of the American Association of State Highway Officials, echoed this dissatisfaction when testifying before Congress in 1953. He stated: "The highways, as they currently exist, are obsolete, worn out, and cannot fulfill traffic demands. It is my opinion that this is taking a terrible toll on our entire economy and I think it is one of the most important issues before the people of this country."

In the early 1950s, the highway lobby formed Project Adequate Roads (PAR). The PAR highlighted the need for further highway construction and tried to reconcile the divergent opinions within the lobby on how road development

---


16 Davies, The Age of Asphalt, describes the highway lobby as containing these interests, 20.

17 Congress, House, Committee on Public Works, National Highway Study: Hearings before the Committee on Public Works, 83rd Congress, 1st Session, 1953, 231.
and improvement should proceed. Some promoted a national toll road system, arguing that those who used the highways should help pay for them. Toll roads would also serve as a mechanism to test highway needs. If traffic on the toll roads did not create sufficient income, then further highway construction was not needed. At the other extreme, the Bureau of Public Roads advocated an ambitious, toll-free system financed entirely by the federal government. This wide range of opinions prevented the PAR from developing a plan for future highway construction.\textsuperscript{18}

As the PAR struggled to formulate a road policy, state and federal highway officials studied methods of meeting the nation's transportation demands. State and federal studies consistently concluded that more highways were the solution. These state and federal officials, however, had a personal interest in seeing highway construction increased.\textsuperscript{19} For this reason, it is not accurate to assume that highway


\textsuperscript{19}Examples of state road studies which advocated further highway construction can be found in Congress, House, Committee on Public Works, H.R. 4260: To Create a Federal Highway Corporation for Financing the Construction of the National System of Interstate Highways: Hearings before the Committee on Public Works, 84th Congress, 1st session, 1955, 54-67, 433 and Congress, House, Committee on Public Works, Letter from the Secretary of Commerce: Needs of the Highway Systems, 1955-84, report prepared by the Commissioner of Public Roads in cooperation with the several state highway departments, 84th Congress, 1st session, 1954, 1-22.
construction was the inevitable result of the automobile's popularity. The Bureau of Public Roads, along with the various state highway departments, asserted a high degree of influence over highway policy. The Bureau established a set of goals it wished to attain. This "wish list" included building free, not toll roads, emphasized the primacy of urban highways, and maintained that the BPR should have some influence over choosing interstate system routes. Despite the partisan nature of its position on these and many other highway-related issues, the BPR maintained a reputation for apolitical expertise in the eyes of Congress and others interested in highway policy. Thus, the BPR influenced almost every major feature of the Federal-Aid Highway Act of 1956 without Congress or the Eisenhower administration perceiving the Bureau as a special interest group attempting to promote highway legislation.  

Thomas MacDonald, who had been instrumental in creating the National System of Interstate Highways as Commissioner of Public Roads in the 1940s, also continued to influence highway policy. He supported constructing new highways because traffic, particularly in the cities, had increased faster than expected after World War II. In 1946, MacDonald wrote that the most important question facing American

---

Seely, Building the American Highway System: Engineers as Policy Makers, is the best source on the BPR's influence over highway policy during the twentieth century.
cities was if "we should build highways which will enable traffic to move into and through the city quickly and safely, or should we try to get along with things the way they are?" MacDonald believed that "cities which refused to modernize their highways will pay a heavy price in loss of business and depreciation of property values in central business districts."

Earlier highway projects had emphasized improving the movement of people and cargo between cities. MacDonald, however, viewed highways as a cure for urban transportation problems. He excluded all other means of transportation, such as commuter rails and rapid transit systems, that might have helped solve these difficulties. The Bureau of Public Roads incorporated this change in emphasis into its official position on how highway construction should proceed. In a 1954 policy statement, the bureau recommended the "development of the interstate highway system and the secondary road system into urban areas."

In 1954, the Eisenhower administration formulated a plan to meet highway demands. On July 12, Vice-President Richard Nixon made a speech before the nation's governors


supporting McDonald's position on developing an urban highway system. The Vice-President said:

The nation's highway network is obsolete and inadequate. Although it has been adjusted to meet metropolitan traffic gluts, transcontinental movement, and increased horsepower, it has never been completely overhauled or planned to satisfy the needs of the 10 years ahead. Therefore, [this administration] is calling for a grand plan for a properly articulated [highway program] that solves the problems of speedy, safe continental travel, intercity transportation . . . and metropolitan area congestion.23

Vice-President Nixon's statement echoed MacDonald's position by calling not only for an intercity highway system, but also for a system that would relieve inner city congestion. By asserting that the highway system could solve intracity transportation problems, Nixon also supported using highways as a cure for urban transportation problems while neglecting mass transit alternatives. This myopic view of transportation problems and solutions did not deter support for Nixon's plan. In fact, the speech "had an electrifying effect on the governors, state highway officials, and groups interested in highways."24

The Eisenhower administration then ventured to develop


a plan that would satisfy the various groups interested in highway construction. This rather ambitious task fell to retired General Lucius D. Clay, whom Eisenhower appointed to head a Special Advisory Committee. General Clay, a member of the board of directors at General Motors, selected supporters of highway construction to serve on this committee. The committee Clay convened consisted of Sloan Colt, the President of Bankers Trust, Steven Bechtel, who operated one of the largest construction companies in America at the time, William Roberts, who headed Allis-Chalmers, a company that built construction equipment, and David Beck of the Teamsters Union.25

From the outset, the committee agreed that "The existing [highway] system is inadequate for both current and future needs and must be improved to meet the urgent requirements of . . . an expanding economy."26 The committee heard from the American Automobile Association, who "regarded the interstate highway system to be of utmost importance and therefore, recommends aggressive federal

25 In Jean Edward Smith's Lucius D. Clay: An American Life (New York: Henry Holt and Company), 618-19, Clay admits that these individuals made for a "loaded committee," but "if we were going to build highways, I [Clay] wanted people who knew something about highways."

26 Quotation from Congress, House, A 10-Year Highway Program: A Report to the President, xiii.
action to improve this system." The Highway Municipal Association believed the "Federal government should concentrate its efforts on the interstate system. Cities are the most critical area and Federal highway legislation should recognize this fact." The National Association of Motor Bus Operators asserted that "Federal aid should be heavily concentrated upon the interstate system: $2 billion per year for ten years for this purpose merits serious consideration." Finally, controversial New York City planner Robert Moses recommended "at least $50 billion in the next 10 years for highways, including $15 billion in metropolitan areas." Moses went on to argue that the urban system was of the greatest importance, but also faced the greatest resistance from forces within the cities. Local opposition, Moses stated, could be "overcome by establishing engineering and other standards which can only be departed from at risk of loss of federal and state aid of all kinds." In other words, Moses contended that cities should be required to build more highways and if they


28Ibid., 246-47.

29Ibid., 340.

30Ibid., 347.

31Ibid., 348.
refused, then all government aid to them would be cut off.

Everyone concerned agreed that the problem stemmed from the road system's inability to accommodate expanding traffic volumes. If the roads could not meet the country's demands, the Clay committee could have addressed this problem on a more expansive level that would examine not only highways, but the entire transportation system. A broader context might have caused the committee to realize that it faced two different problems: How to improve intercity travel and how to alleviate urban traffic congestion. By the early 1950s, highway routes between cities had become obsolete. The automobile, however, was not the only means of transportation used for intracity travel. Robert Moses highlighted urban congestion in his testimony before the Advisory Committee when he argued that "the needs of the cities must not be minimized because they require relatively little mileage. This is strategic mileage of vital importance to both the interstate and urban systems." But drawing people away from the highways, and therefore, substantially cutting the number of vehicles traveling on urban expressways also could have solved urban congestion. Accomplishing this task would have required more funding for other means of transportation such as commuter railways and rapid transit systems. The Clay Committee, however, did not

32 Ibid., 347.
hear from mass transportation representatives. The Advisory committee ignored alternatives to highways and did not weigh the consequences of an automobile-dominated transportation system. Furthermore, the committee failed to consider what effect the highways might have on other transit systems or the highways' impact on the urban environment.33

Others forwarded ideas that the committee could have consulted. City planner Harland Bartholomew urged a balanced approach to improving urban transportation. In a 1954 article, Bartholomew stated:

It is in our best interest to thoroughly develop sound mass transportation. This approach does not mean halting individual automobile traffic. It does mean restricting it where necessary for better accommodations for the majority of the traveling public. It does mean giving mass transportation first consideration as the basic and predominant means of transportation. It does mean restricting the automobile to its rightful place as a supplemental vehicle to be accommodated only after major transportation needs have been provided for.34

Bartholomew, however, did not testify before the Clay committee, nor did any other advocates of solutions that did

33Representatives of interests that testified before the President's Advisory Committee included the American Trucking Association, the Automobile Manufacturers' Association, the United States Chamber of Commerce, the American Automobile Association, the Associated General Contractors, the Automotive Safety Foundation, and the National Highway Users Conference. This list, although incomplete, is a fair sample of the highway interests that presented their arguments before the Advisory Committee. Congress, House, Hearings on a National Highway Program, viii.

not endorse further highway construction.

The American Transit Association (ATA), a national organization that represented urban transit interests, sent a letter to the committee after its hearings were completed. In this letter, the association "noted that an opportunity had recently been accorded the American Trucking Association, the National Association of Motor Bus Operators, the American Automobile Association, and other highway users to submit statements on national highway matters." Not having been invited to submit a statement, the ATA pointed out that "sight is lost of the fact that as new expressways and freeways feed more and more automobiles into already crowded urban districts, the problem of traffic congestion becomes more acute." The influx of additional cars would overburden city street systems and "create a demand for constantly enlarged off-street parking facilities, the combined effect being an ever-increasing drain upon our national economy for the provision of facilities for the primary use of the private motorist." The ATA also maintained that "there will have to be continuing dependence upon public transit facilities if the central business districts of our cities are to survive and prosper."35

35Quotations from George W. Anderson, executive Vice-President of the American Transit Association, to the President's Advisory Committee on a National Highway Program, October 25, 1954. Quoted in Davies, The Age of
The transit association's letter demonstrated that they understood where future problems would develop if the government built more highways. They saw traffic gridlock and inadequate parking facilities as formidable obstacles in attracting people to urban business areas. The Advisory Committee, however, turned a deaf ear on the ATA's plea to consider mass transit alternatives. In the committee's final report to President Eisenhower, Clay and his associates stated that their "Committee was created to consider the highway network, and other media of transportation do not fall within its province."\textsuperscript{36}

The Advisory Committee devised a ten-year, $27 billion interstate highway construction program. The Clay committee asserted that the interstates were the most important part of the road system because they carried "more than one-seventh of all traffic, one-fifth of the rural traffic, serve 65 percent of the urban population, and 45 percent of the rural population, and is the key network from the standpoint of Federal interest in productivity and national

\textsuperscript{36}Congress, House, A 10-Year Highway Program: A Report to the President, 3. Also see Congress, Senate, Subcommittee on Surface Transportation, "Correspondence, vol. 1," File 84, Box 4, Record Group 46, National Archives, Washington, D. C. for additional criticism of the Eisenhower administration's use of highways to solve urban transportation problems.
defense." The committee endorsed raising funds for this project through a newly established Federal Highway Corporation that would issue $25 billion in bonds. Funds collected from the federal tax on gasoline and lubricating oils would retire these bonds over a thirty-year period. The federal corporation would redirect this tax money from the general fund into a separate Highway Trust Fund account. The Clay committee believed that revenue from the gasoline and lubricating oil tax would increase dramatically as traffic increased, thus allowing the federal government to pay for 90 percent of the proposed interstate highway program.38

Although Clay maintained that "the entire economy of the United States is built on transportation . . . in all fields; rail, air, water, and highway," he also believed that the "automobile occupies a very unique place in the transportation system of the United States, not only for the movement of goods and persons, but it has indeed become a part of our social structure."39 Despite the Advisory


Committee's failure to examine the transportation system as a whole, Clay viewed his committee's proposal as a "bold measure" that would solve traffic congestion problems well into the future and would "contribute to the well-being of America."  

President Eisenhower endorsed the findings of his Advisory Committee's findings and on February 22, 1955, he delivered a special message to Congress on the proposed program. Eisenhower identified four reasons for building more highways. First, he asserted that the road system was unsafe. During the early 1950s, traffic accidents killed over thirty-six thousand people and injured over one million more. Eisenhower believed that further highway construction and improvement would help save lives.  

Second, the president cited the immediate economic benefits of constructing the interstate highway system. He said "the physical condition of the present roads increases the cost of vehicle operation by as much as one cent per mile of vehicle travel. At the present rate of travel, this totals more than $5 billion a year." The president looked upon improving the highways as a positive step toward reducing traffic congestion.

---

40 Ibid., 9.


42 Ibid., 276.
this extra cost that "was passed on through each step in the
distribution of goods" and "paid ultimately by the
individual consumer."\footnote{Ibid., 276.}

Third, the government estimated that by 1965, eighty-
one million vehicles would be traveling American roads. The
United States needed highway improvement and development or
"existing traffic jams will only faintly foreshadow those of
ten years hence."\footnote{Ibid., 276.} Fourth, Eisenhower invoked Cold War
fears to establish merit for highway construction: "In case
of atomic attack on our cities, the roads must permit quick
evacuation of target areas, mobilization of defense forces
and maintenance of every essential economic function. But
the present system in critical areas would be the breeder of
a deadly congestion within hours of attack."\footnote{Ibid., 276.}

Once again, the Eisenhower administration saw highway
construction as a way of solving urban problems. Clay’s
Advisory Committee had endorsed highway construction as a
means to move people around and through cities. Here, the
president advocated using highways to evacuate cities in the
event of nuclear attack. But this purpose, like the Clay
committee’s rationale for building more highways, also
contained some serious defects.

\footnote{Ibid., 276.}
\footnote{Ibid., 276.}
\footnote{Ibid., 276.}
General Clay had been the director of New York State's civil defense program during the early 1950s. While planning the evacuation of New York City in case of nuclear attack, Clay realized "it would take more than an hour to empty some of New York's larger skyscrapers." Such a lengthy evacuation time would minimize the highways' effectiveness because the Strategic Air Command did not expect significant advanced warning of an attack. Still, many highway supporters latched onto the idea that more highways would help evacuate cities during a crisis. The Clay committee report stressed that "the capacity of the interstate highways to transport urban populations in an emergency is of utmost importance. Large-scale evacuation would be needed in the event of an A-Bomb or H-Bomb attack." The report also relied on testimony from the Federal Civil Defense Administrator, who asserted that "the withdrawal task is the biggest problem ever faced in the world."

When congressional debate began on the president's highway program, many highway lobbyists cited national and civil defense as reason to build more highways. George T. McCoy, President of the American Association of State

---


48Ibid., 5.
Highway Officials, stated that the interstate system should be expanded "because of the unsettled nature of international affairs. With new instruments of war, we might not in the future be spared the horrors of being in an active military theater."49 Managing Director of the American Trucking Association John V. Lawrence asserted "If the Interstate System is as important to the military and civilian defense of the Nation [sic] as indicated, the 10-year [highway] program . . . seems vital. Current newspaper headlines would indicate that if we had the system today it would be none too soon."50 Automobile Manufacturers Association President James J. Nance said that:

our roads and streets are not now capable of meeting demands they may face in the event of another war—which may call for mass evacuation of large cities and extreme reliance on a form of transportation that, because of its flexibility and its sheer number of units, is less vulnerable to paralysis under large-scale bombing attacks against the continent.51

In his testimony before Congress, General Clay stated that the "total bearing of the cost [for the highways] by the federal government was justified because these roads have been certified as necessary to national defense . . . and urgent to the civil defense program for the evacuation

49Congress, Senate, Committee on Public Works, Bills Related to the National Highway Program: Hearings Before Subcommittee on Roads of the Committee on Public Works, 84th Congress, 1st Session, 1955, 156.

50Ibid., 531.

51Ibid., 487.
of our cities."\textsuperscript{52} Several members of Congress raised objections to this motive. Senator Patrick McNamara of Michigan doubted the public's ability to effectively use the highways as an escape route. He declared that the "most modern and best designed highways in the country would not last ten minutes as a means of escape when people are running for their lives."\textsuperscript{53} Senator Albert Gore of Tennessee also had "grave doubts about the feasibility of evacuating, for instance, New York City."\textsuperscript{54} General Clay answered these doubts by drawing on his experience as New York State's civil defense director. He did yield to the argument that the highways were not a cure all for evacuation needs, but he did not acknowledge the doubts he had expressed himself when he looked at New York City.\textsuperscript{55}

During the 1950s, advancing civil defense rationales for building the interstate highway system was an effective method of winning support for the program. The Cold War bred fear of atomic warfare in American society and Eisenhower and other highway supporters manipulated these fears to gain approval for the highway program. Eisenhower spelled out the interstate program's economic and safety

\textsuperscript{52}Ibid., 395.
\textsuperscript{53}Ibid., 405.
\textsuperscript{54}Ibid., 406.
\textsuperscript{55}Ibid., 408-414.
benefits and then added grimly worded rhetoric describing "our obsolescent highways, too small for the flood of traffic of an entire city's people going one way," turning "into traps of death and destruction"\textsuperscript{56} to drive home the need for the interstate highway system. Furthermore, General Clay's recollection of Eisenhower's original reasoning for more highways did not contain a civil or national defense pretense. He remembered the president and Sherman Adams, Eisenhower's Chief of Staff, being "concerned for the economy. We were facing a possible recession, and he [Eisenhower] wanted to have something on the books that would enable us to move quickly if we had to go into public works."\textsuperscript{57}

Civil defense rationales for the interstate system were dubious at best, but military leaders also made an effective argument that the proposed interstate highway system was important to national defense and military mobilization. The military had supported road construction and improvement for defense purposes since the days of Eisenhower's convoy trip across the nation. During World War II, the highways had proved their worth in transporting workers and goods to and from factories. In 1955, Major General Paul F. Yount, Chief of Transportation for the United States Army, stated


\textsuperscript{57}Smith, \textit{Lucius D. Clay: An American Life}, 618.
that "Today's crucial defense needs lie in improving to modern standards the forty-thousand-mile Interstate Highway System. This vital network must be able to handle the volume and weight of military and industrial traffic that will flood our highways in the event of a national emergency."\textsuperscript{58}

Providing for military use of the highways, however, was not taken into consideration when construction began on the new highway system. In her book,\textit{Superhighways-Superhoax}, Helen Leavitt points out that road builders set the clearance for bridges at fourteen feet. "As early as 1954, the size of the Atlas missile, which exceeded the 14-foot minimum, was well established and the difficulties of transporting the weapon from California to Cape Kennedy were known in 1956 when the interstate system was launched."\textsuperscript{59}

Not until 1960 was a standard established to accommodate a vertical clearance of sixteen feet. "During those four years more than 2000 bridges or structures were built to the obsolete standard."\textsuperscript{60} Leavitt concluded that this glaring discrepancy resulted from a lack of genuine concern "for the defense role the highway system would play, since labeling the system vital to our national defense was simply a


\textsuperscript{59}Leavitt,\textit{Superhighways-Superhoax}, 187-88.

\textsuperscript{60}Ibid., 188.
'sweetening' device to gain support for the program in 1956.\textsuperscript{61}

\textsuperscript{61}Ibid., 188.
CHAPTER III

Eight Hoover Dams and Six Sidewalks to the Moon: The Battle for the Interstate Highway System

After General Clay’s Special Advisory Committee made its recommendations for an expanded highway program, Congress spent more than a year and a-half debating the plan’s merits and drawbacks. The final bill, passed by both houses of Congress and signed by President Eisenhower on July 29, 1956, represented total victory for those who championed a federally-funded highway system that solved both interstate and intracity transportation problems. Railroad representatives vigorously resisted a federally subsidized interstate highway system, but their industry’s economic vitality and influence over transportation policy had dwindled significantly since the era of cooperation between the railroads and the Interstate Commerce Commission.

As congressional debate on the interstate highway system began, the railroad industry was mulling over a proposal to petition the Interstate Commerce Commission for a 15 percent rate hike. Because of the industry’s weak position, railroad leaders wanted to ascertain the impact of
a new interstate highway system on their industry.\textsuperscript{1} But railroad interests could not immediately appraise the situation because a temporary but radical shift in the two major parties' fiscal philosophies occurred during opening debates on the highway proposal.

The administration-backed Clay program would create a Federal Highway Corporation to oversee highway funding. The corporation's executive board would issue $25 billion in bonds and would pay off these bonds over the following thirty years.\textsuperscript{2} This financing scheme threw congressional Democrats into a state of shock. For twenty years they had been criticized for attempting to increase government spending and implement what some Republicans believed was a socialist agenda. The New Deal's most strident opponents had argued that Franklin Roosevelt's policies would swell the national debt, which, in turn, would bankrupt future generations. Three years after finally defeating those who sought to pursue such irresponsible fiscal policy, the new Republican administration introduced a bill to spend an enormous amount of tax revenue on a public works project much like those proposed under the New Deal. Despite Eisenhower and Clay's vigorous efforts to lobby Congress,

\textsuperscript{1}New York Times, September 19, 1955.

\textsuperscript{2}The Clay proposal's financing plan can be found in Congress, House, The President's Advisory Committee on a National Highway Program. \textit{A National Highway Program: A Report to the President}. 84th Congress, 1st Session, 1955, 20-21.
the Senate's Democratic majority made sure that the Clay committee's proposal never reached the Senate floor.³

But the Clay proposal's defeat did not mean that the new interstate system was dead. Virtually all highway legislation brought before Congress during the twentieth century faced one similar obstacle: "Everyone loves roads, but no one wants to pay for them."⁴ Senator Albert Gore of Tennessee drew up an alternate bill that dealt with financial concerns by completely ignoring them. Gore left finding the money for new highways to the House of Representatives, where all bills requiring tax money were supposed to originate. But Senator Gore's alterations did not stop there. He adamantly disagreed with the emphasis that Clay and the Eisenhower administration had placed on the interstate highway system. Gore's bill reflected his dissent by reducing the highway program's length from ten to five years and by cutting the amount spent on the interstate system from $25 billion to $5.5 billion, while decreasing the secondary and rural road allocation by just $1.5


⁴White, "Where Are Those New Roads?" 47.
billion. The proposal conflicted with the highway lobby's interests because their endorsement of the Clay proposal was firmly attached to the interstate system and the emphasis placed on building more highways to solve urban transportation and congestion problems. Although the Senate passed the Gore bill, it encountered trouble in the House of Representatives, where the highway lobby exercised its influence most effectively. Additional hearings dragged on through the spring and early summer of 1955.

Meanwhile, Representative George Fallon, a Maryland Democrat who had supported road legislation throughout his tenure in Congress, submitted an alternate bill. Fallon's proposal garnered much attention—and caused a great deal of confusion—because this bill also reacted against the Clay plan's financing strategy. Several highway lobby members found Fallon's plan disconcerting. Although his resolution would build the interstate highway system this lobby so desperately sought, the Fallon plan would also saddle them with $375 million per year in additional taxes. Therefore, the trucking associations, tire and independent oil dealers, and diesel manufacturers ultimately decided to mobilize against Fallon's initiative. Democratic supporters of


6 White, "Where Are Those New Roads," 49.
Fallon's bill called for fiscal responsibility, further illustrating the flip-flop in economic philosophy between the two parties. They argued that taxing truckers and tire and petroleum manufacturers placed part of the new highway system's financial burden on those who would benefit most from its construction. Many Democrats in Congress also asserted that Clay's proposal to set up a bond corporation was an effort to evade the government's legal debt limit. Democrats argued that "the huge $280 billion official national debt was about to spin off a satellite 'corporate' debt into space, perhaps followed by others, until we had a whole constellation of satellite debts whirling about the economy, all exerting an irresistible inflationary pull."

According to Theodore White, Republicans answered these criticisms "as if the mantle of Franklin D. Roosevelt and all the ghosts of the New Deal had descended on them: Nothing great or creative is ever done unless one reasonably finances the present out of the future," they maintained. The Eisenhower administration believed that if Congress followed Clay's recommendations and the federal government

7 "Correspondence," Box 452, File 8836-1, Record Group 233, Considerations for a National Highway Program: A Summary of Problems, Programs and Points of View, details the additional taxes contained in the Fallon bill. Fallon's bill was submitted to the House as H.R. 7072, Congress, House, Committee on Public Works, Hearings, National Highway Program, Part 2, 84th Congress, 1st Session, 1955, 1097-1100.

8 Quotation from White, "Where Are Those New Roads?" 48.
built the new highways immediately with borrowed funds, highway use would rapidly increase and the additional gasoline taxes generated would more than cover construction expenses.\(^9\)

This peculiar exchange of fiscal ideology between the two parties puzzled railroad leaders as they attempted to decide whether they would favor or oppose the Fallon bill. Legislation following Clay's financing methods would provide the trucking industry with a brand-new, federally-financed interstate highway system. Such vast improvement to the country's road network would mean truckers could enhance the quality and speed of their service without spending a dime. These improvements would also help strip the rails of their long-haul freight business. The railways had already seen the airlines take away their long-haul passengers and automobiles decimate their short-trip commuter business. Essentially, then, railroad leaders viewed any highway bill that followed the Clay financing plan as the final nail in their coffin.\(^10\)

As the railroad industry formulated a strategy toward highway legislation, blatant resistance to highway expansion appeared unfeasible. Railroad executives knew that the general public favored expanding and improving the nation's

\(^9\)Ibid., 48.

\(^{10}\)Ibid., 50.
road network. The railroads concluded that they had to sanction highway construction. Otherwise, the highway lobby would portray the railroads as an obstacle to national progress and security and, in the process, become a scapegoat for the highway program's failure. This decided, railroad leaders sought to display public support for highway expansion without jeopardizing their industry's existence. The Fallon bill fit perfectly into their strategy. Fallon's proposal balanced trucking industry gains made through highway expansion and improvement with losses incurred through addition taxation. These losses would drive trucking rates skyward and create a more level playing field for competition between the trucking and railroad industries. Or so railroad leaders hoped.

American Railroad Association Vice-President Robert S. Henry explained the railroads' position in this way:

> Highways? Why of course we're in favor of good highways. But we want a sound highway program and any sound highway program has to include user charges--people who benefit from it should pay, and that's particularly true of people who use these facilities to carry on commercial business. We railways pay in taxes 11.9 cents of every dollar we take in; we pay 19.7 cents more of every dollar to maintain our roadbeds and tracks. The truckers pay only 7 cents of their dollar for taxes and they get their roadbeds free. . . . That's just not fair--and that's why we think the Fallon bill is such a good bill. ¹¹

Many within the trucking industry did not agree with Henry's position. John Lawrence, the American Trucking

¹¹Ibid., 50.
Association's managing director, compared railroad advocates to locusts when he asserted that "No such railroad lobby has descended on Washington in the history of the Republic as that which is now operating in support of the soak-the-trucks proposals. It is this wrecking crew which is mainly responsible for throwing the highway situation out of perspective."12

This was not the first time that truckers and railroad owners had disagreed. Antagonism between the two industries increased as truckers took a larger and larger share of railroad business. In 1926, railroads carried almost 77 percent of intercity ton-miles. By 1956, the rails' share had fallen to 49 percent while their share of gross revenues fell from 87 to 34 percent. On the other hand, trucks carried fourteen times their 1926 ton-miles, nearly one-fifth of all ton-miles produced in 1956.13

Twenty-five years after cementing its relationship with the federal government, the railroad industry found itself trying to convince Congress that another industry would unfairly benefit from federal assistance. Many railroad advocates claimed that trucks did not face the same degree

---

12Ibid., 52.

of government regulation as the railroads and, as a result, could charge lower rates. The Interstate Commerce Commission had extended its regulating powers to the trucking industry in 1933, but the regulation enacted was generally lenient. Contract and common carriers—those contracted to carry individual shippers' freight and those who hauled general freight, such as moving vans and automobile carriers—were subject to the ICC's authority. The ICC required contract carriers to obtain an operating permit and report a schedule of minimum charges but did not demand a list of specific fees. The ICC set common carriers' fees and routes and, therefore, these carriers faced more stringent regulation. Private carriers—those who owned trucks for transporting their own products—were exempt from all ICC control except safety regulations. In 1952, there were twice as many exempt carriers as contract and common carriers combined.14

Railroad leaders hoped to emphasize this relative lack of regulation when promoting Representative Fallon's bill. But the trucking industry, along with diesel manufacturers, and the big oil and tire companies launched a massive lobbying effort aimed at defeating the bill. These interests argued that singling out their industries for

additional taxation was unfair and painted a dark picture of a tax-crippled diesel industry unable to provide sufficient fuel for the diesel-powered military. An avalanche of telegrams hit Congress during the early summer of 1955. Small businesspeople described the harm additional taxes would have on their economic well-being. David Beck, president of the Teamster's Union and member of the Clay Advisory Committee, mobilized his union to defeat the Fallon bill. House members received telegrams from truckers who stopped on their routes three and four times a day to send telegrams expressing opposition to the Fallon bill while Beck made a personal call on Senator Sam Rayburn to emphasize the teamsters' point of view. In turn, the railroads realized that they no longer held Congress's undivided attention on transportation issues. Average motorists, who would save $100 per year in car expenses under the Fallon proposal, were strangely silent during congressional debates.\textsuperscript{15} Their lack of interest in Fallon's plan, coupled with the vigorous action of the multi-faceted opposition lobby, proved too much for the railroads. On July 27, 1955, the House of Representatives defeated the Fallon bill by a 292 to 123 margin.\textsuperscript{16}

\textsuperscript{15}White, "Where Are Those New Roads?" 51.

The Fallon bill's defeat, however, did not end debate on the interstate highway program. Walter Belson of the American Trucking Association revealed his organization's perspective when he stated:

Yes, we [the trucking association] had considerable influence in killing the Fallon bill. But don't confuse the Fallon bill with the highway program. We're not such stupid idiots as to be opposed to a road program we need as much as anyone else. We were the first group to support the highway program from the beginning . . . we agreed to accept increased taxes to pay for it--we'll pay our fair share, the same rate on fuel, tires, and equipment everyone else pays.17

When Congress reconvened in the fall of 1955, the interstate highway program still had numerous supporters willing to work toward a compromise. William Noorlag, Jr., general manager of the Central Motor Freight Association, expressed his industry's frustration with the railroads' attempts to make truckers fight highway legislation. Noorlag believed that the railroads wanted truckers to oppose the highway program "so that truckers would be blamed for killing the highway measure which the scheming railroads had set out to do by hook or crook." But he was also optimistic that "the Senate committees [could] restore equity and reality to the tax increase measure."18

Eventually, Fallon and Representative Hale Boggs of Louisiana fashioned a bill that conformed to Belson and

17White, "Where Are Those New Roads?" 50.
18Quotations from Noorlag appear in Rose, Interstate, 85.
Noorlag’s prerequisites. The bill did not change the highway program’s original purpose as outlined by the Clay committee. The interstate highway system was the measure’s centerpiece and this proposal also provided funds for construction without asking significant sacrifices from any highway lobby members. The new bill cut the Fallon plan’s taxes on gasoline and diesel in half; Fallon and Boggs reduced the tax increase on rubber from 10 to 15 cents per pound to 3 cents; they included a 2 percent hike in the excise tax on new trucks, trailers, and buses, and trucking interests accepted a $1.50 per thousand pounds surcharge on the total weight of trucks heavier than thirteen tons.\(^{19}\) The last provision gained acceptance because in 1952, just 10 percent of all trucks on the road weighed as much as nine tons. Thus, the last additional tax would not affect the vast majority of the nation’s truckers.\(^{20}\)

Like the Clay committee’s proposal, the Fallon-Boggs bill also stipulated that the federal government would pay 90 percent of the new interstate system’s construction costs. The government would also distribute $25 billion according to local needs, but correcting urban congestion problems would cost the most money and, therefore, would


\(^{20}\)"Where Do Trucks Go From Here?" 74.
receive a disproportionate share of the funds. Those who championed highway construction over mass transit to solve urban traffic problems had succeeded.\(^{21}\)

Boggs and Fallon also pleased the Bureau of Public Roads and others who opposed both the federal and various state governments' tendency to collect more in highway-related taxes than they spent on roads. The Highway Trust fund provision of the new bill rectified this problem. All money collected from fuel, tire, new vehicle, and surcharge taxes would be deposited into this fund for road building and maintenance alone.\(^{22}\)

During June 1956, the Fallon-Boggs proposal sailed through Congress. The bill passed by an eighty-nine to one margin in the Senate; the House of Representatives held a voice vote on the measure and did not bother to record its final tally. On July 29, President Eisenhower signed the Federal Highway Act into law.\(^{23}\)

The package's final version was almost a carbon copy of the Clay committee's proposal. Congress even acknowledged


\(^{22}\)Ibid.

\(^{23}\)Congress, House, *Federal Highway Act of 1956*, 84th Congress, 2d Session, H. R. 10660, *Congressional Record*, vol. 102, no. 8, daily ed. (June 26, 1956), S10969, H11004. When Congress calls for a voice vote on a bill and does not record the final tally, it can generally be assumed that the bill in question had overwhelming support.
the perceived importance of the highway program's civil and national defense features. The Federal Highway Act of 1956 stipulated that "because of its primary importance to the national defense, the name of [the interstate system] is hereby changed to the National System of Interstate and Defense Highways."24

After recovering from a heart attack, President Eisenhower played a key role in winning the highway bill's approval. In 1954, he had appointed the Clay committee, thus making highway improvement an issue. Two years later, the Eisenhower administration and Congress compromised with trucking interests on additional taxation, believing that building the interstate system would help create both short- and long-term economic prosperity. The thousands of construction jobs generated would achieve the former, while providing both the motorist and trucker with a quicker, safer means of reaching their vacation sites and delivery destinations would accomplish the later objective.25

Eisenhower was jubilant when informed of the bill's passage. He spoke of the great step taken to improve the nation's transportation system. The president also took pleasure in describing the enormous construction project necessary to


25For a discussion of Eisenhower's involvement in gaining the bill final approval, see Rose, Interstate, 85-95.
build the interstate highway system. He declared that "the amount of concrete poured to form these roadways would build eighty Hoover Dams or six sidewalks to the moon."25

Others, however, were not so enthusiastic. City planner and author Lewis Mumford's appraisal of the interstate program went as follows: "the most charitable thing to assume about this action is that they [Congress and the administration] hadn't the faintest notion of what they were doing." Mumford was also prophetic when he wrote that "by the time they find out it will be too late to correct all the damage to our cities and countryside done by . . . this ill-conceived and preposterously unbalanced program."27

In The Nation, David Cort outlined how "a single bus or train takes between twenty and one thousand cars off the roads." Cort advocated more spending on buses and railways but he saw urban traffic as so overwhelming that drastic measures were needed. He argued that "The privilege of driving a car must be made immensely more honorable and exclusive. License examinations must be rigorous." Cort also called for license suspensions "at the first indication of driving incompetence and that the suspension period ought to be in terms of years, not weeks." Cort went on to

26Eisenhower, Mandate for Change, 548.

conclude that "the automobile had converted the descendants of the American pioneers, the toughest most energetic and open-minded people in the civilized world, into lazy, fat-seated invalids."\textsuperscript{28}

These objections, though, were out of touch with the administration's perception, which saw the new highways as a progressive measure to solve transit problems. Implicit in Eisenhower's reasoning was his administration's realization that the future of commercial freight transportation was in the trucking, not the railroad industry. Fifty years earlier, railroads successfully gained federal regulation of their industry not because of progressive hostility toward monopolistic business practices, but because Congress and three presidents from both political parties realized that economic prosperity depended on the railroads' stability. By 1956, however, railroads were no longer essential to American economic success. Regulation and the trend toward automotive transportation damaged the industry to the point where its opinions and needs no longer carried much weight with Congress or the Eisenhower administration. Both branches of government simply believed that the country's long-term interests would be better served by accommodating the wishes of the diesel, oil, and, especially, the trucking industries over those of the railroads. The dynamics of the

\textsuperscript{28}David Cort, "Our Strangled Highways," The Nation, 182 (April 28, 1956), 360.
relationship between business and government had not changed in fifty years; government was still willing to consider business concerns before worrying about the welfare of any other segment of society. In 1956, the triumvirate of diesel, oil, and trucking represented America's economic future. These industries used their influence to defeat a bill that would have produced an interstate system at an unacceptable price. When the dust cleared after the Fallon bill's defeat, these three industries created enough support to pass a highway bill on their terms. In 1956, business interests were still of paramount concern to the federal government when formulating transportation policy, but the businesses involved had changed.
CONCLUSION

Business interests did triumph over opponents of the interstate highway system. The trucking industry’s victory demonstrated the strength of the relationship that had developed between business and government during the late nineteenth and early twentieth centuries. During the 1950s, the trucking industry and its allies were willing to ask for government assistance and allow government interference within an economic system that supposedly championed free enterprise. At the turn of the century, the railroads had been willing to ask for the same things. Moreover, the federal government expressed an interest in guarding the interests of key industries throughout the first half of the twentieth century.

Recognizing this long-term relationship between business and government suggests an alternative way of periodizing modern American history. Historians of the late nineteenth and twentieth centuries have divided this time period into small, neatly partitioned sections based largely upon major political and economic events and trends. Reconstruction, the Gilded Age, the Progressive Era, World War I, the Roaring 1920s, the Great Depression, and World War II constitute the standard pre-1945 periodization. The
post-war years are usually divided by decade or presidential administration, with the Second World War acting as a great divide that separates the post-war era from all that preceded it.¹

These five- and ten-year periods encourage historians to focus their research on one of these extremely small segments. The resultant scholarship, therefore, has reinforced and strengthened the standard periodization, but this method of dividing the late nineteenth and twentieth centuries has also created serious problems. First and foremost among these problems is the lack of unifying trends and themes that cover significant portions of this time period. The challenge, then, is to construct interpretive frameworks that attempt to identify and understand long-term change and continuity.²

The development of the relationship between business


and government during the first half of the twentieth century provides such a framework. The Second Industrial Revolution helped create big businesses like the railroads and also spawned high levels of competition within these industries. Industrial capitalism also helped plug farmers on the newly-settled Great Plains into the world market economy, but selling their produce on the national and international market had unforeseen consequences. Mid-Western farmers found themselves depending on banks and railroad companies that charged unreasonable interest rates and shipping fees. Dissatisfaction with these developments led to the Populist Revolt of the 1890s and the rural reform politics of the Progressive Era. Mid-Western farmers and other shippers turned to the government for assistance in establishing equitable business relationships with the nations' railroads. Some railroads, however, sought to turn reform efforts in their favor by supporting regulation that helped eliminate the competition that had made the railroad industry so unstable during the closing decades of the nineteenth century. Both Congress and the Progressive Era's presidents knew that the locomotive was an essential part of American economic success. Punishing railroad companies with regulation designed solely for the benefit of farmers and other shippers would jeopardize future economic security and prosperity. Thus, the biggest, strongest railroads largely succeeded in establishing a body of federal
regulatory law that helped stabilize the industry while significantly increasing profits.

The Progressive Era established a relationship between transportation interests and government that remained in place during the following decades. This relationship changed, however, as other methods of transportation developed. Regulation had stabilized the railroad industry, but it also made railroad companies unresponsive to competition. This inflexibility enabled the trucking industry to strip the railroads of larger and larger portions of their freight-hauling business between 1920 and 1940.

At the same time, state and federal highway officials exercised increasing influence over road construction policy. The Bureau of Public Roads along with many state highway departments lobbied successfully for more highway construction. The automobile's popularity helped marshall support for road construction, but a new lobby composed of businesses related to highway travel also increasingly influenced the federal government's transportation policies.

During the decade following World War II, the trucking and automobile industries usurped the railroads from their primary position in providing transportation. As a result, the railroads lost their distinction as a vital force in the American economy, and thus lost a great deal of their influence in the halls of Congress and the executive branch.
As during the Progressive Era, the federal government wished to promote the interests of vital businesses. Building the interstate highway system was a way of doing just that for the industries that had taken over American transportation.

Looking at the rise of automotive transportation over a seventy-five year period produces a fuller understanding of the relationship between business and government and how it helped produce the railroads' decline while promoting the simultaneous ascent of the truck and automobile. This interpretive framework also charts a new period in modern America history that might be called the Rise of the Corporate State. By connecting the Progressive Era to the immediate post-World War II years to reveal both continuity and change, this new period also rejects the standard periodization's tendency to view the post-war era as fundamentally different from the decades leading up to the Second World War.

This thesis concentrates mainly on the political developments that produced the interstate highway system and a transportation network dependent on the automobile, but other topics related to these issues would also re-orient twentieth-century periodization. For instance, automobiles became a class signifier for middle- and upper-class Americans during the first half of the twentieth century. These Americans gained the economic wherewithal to provide their own transportation while the poorer, mostly immigrant
and black residents of the inner city continued to rely on public transportation. Hence, automobiles became a vehicle for class separation and the interstate highway system could be viewed as a project that strengthened those class barriers.

Automobile ownership could also be seen as a method of indicating class membership. In the increasingly mobile world of twentieth-century America, it became more difficult to demonstrate economic and social status. How could people effectively display class affiliation when they traveled to distant places populated by strangers? The make and model of one’s automobile became an important indicator of the owner’s economic status. The automobile, which helped create a more mobile society and, in turn, created the problem of indicating class status, also helped solve that problem by clearly exhibiting the owner’s economic class.

This view of the automobile’s popularity among middle- and upper-class Americans moves beyond the twentieth century’s standard periodization to encompass the entire period between approximately 1900 and 1960. This new period might be called the Making of a Middle-Class Identity. Attaching the display of class status to automobile ownership and the automobile’s popularity links the general economic prosperity of the early twentieth century with the post-World War II economic boom that significantly expanded the country’s middle-class population. This approach
reveals that the massive production and acquisition of consumer goods after World War II had its roots in the development of a consumer culture during the late nineteenth and early twentieth centuries. In other words, the twenty years centering on 1900 produced a consumer mentality that helped create the economic boom following World War II.\[^3\]

These are only a few examples of how to apply interpretive frameworks that re-periodize the post-Civil War era. Developing a new periodization will require historians to think broadly about their topics, and, in the process, pay stricter attention to determining the origins of events and problems. Thinking broadly means putting aside the major political and economic events that historians have


used to demarcate the post-Civil War era. Twentieth century historical scholarship's concentration on political and economic history has kept the field from reaching its full potential. Students and scholars alike often complain that studies dealing with the twentieth century pale in comparison to the scholarship produced on the nineteenth century and the colonial period. What is so different about these earlier time periods? First, both have standard periodizations that are much looser than the twentieth century's. Historians divide the nineteenth century into three segments: The revolutionary era of the late eighteenth to early nineteenth centuries, the early republic, and the ante-bellum period. Different colonial historians organize colonial history in different ways while some deny that any type of standard periodization exists.

These approaches encourage colonial and nineteenth century historians to develop topics that cover wider expanses of time. Furthermore, scholars of these time periods are not bound by a periodization that consistently highlights political and economic events and trends. The result is that nineteenth century and colonial historians have stopped paying strict attention to political and economic history. This move toward social and cultural history reflects a trend that has been going on within the entire historical profession for the last twenty years. Indeed, the future of history lies in studying social and
cultural interaction and development.

What is at stake, then, is the future of twentieth century history. It would be irresponsible to eliminate political history when studying a century where the power and influence of the state dramatically increased. The challenge is to move away from strict political and economic history and move toward incorporating social and cultural developments into twentieth-century historical scholarship. Such scholarship would address, for instance, how a society and culture increasingly influenced and shaped by state actions reacted to state control. These studies will also help move twentieth century historical scholarship into the twenty-first century.
Primary Sources

U.S. Government Documents:

All are published by the Government Printing Office in Washington, D.C.

Bureau of the Census


Congress, House


The President’s Advisory Committee on a National Highway Program. Hearings on a National Highway Program. 84th Congress, 2nd Session, 1954.


**Congress, Senate**


**Department of Commerce**


**Interstate Commerce Commission**


*Interstate Commerce Commission Reports,* 107 vols. 1887-
Public Laws

"An Act To Further Regulate Commerce with Foreign Nations and Among the States" Public Law 104. February 19, 1903 32 United States Statutes at Large: 847-849.


Unpublished Government Documents


Collections of Documents


Contemporary Books and Articles


Secondary Sources: Books and Articles


________. *The Road and the Car in American Life*. Cambridge, Massachusetts: Massachusetts Institute of Technology Press, 1971.


VITA

Anthony Roland DeStefanis