

The Seizure of the Reading Railroad in 1864

IN JULY 1864, THE PHILADELPHIA & READING RAILROAD was seized and operated by the War Department; this seizure, the result of a strike by operating employees, was the first historical instance of presidential seizure to keep operations going in a labor dispute.

This little known episode has been largely overlooked by labor historians, and it has not been previously researched, in spite of its significance (1) in retarding the early growth of labor organization on the railroads, (2) in strongly influencing the future structure of railroad labor along craft lines, and (3) in providing a general and potentially useful experience in the study of federal strike controls.¹

This unprecedented form of federal intervention was prompted by the virtual shutdown of the Reading Railroad when it was the principal carrier of anthracite coal from the mines in northeastern Pennsylvania to the arteries of transportation in Philadelphia. At this period, most railroads were turning from wood-burning locomotives to coal-burning ones, and the Navy was rapidly converting from sail to steam.² Coal

I acknowledge gratefully the assistance of Valerie Stubbs Mecutchen in directing me to the Reading Railroad correspondence in the War Department archives; the late Douglas M. Klink for furnishing me with a copy of the Reading Company's official history of the seizure; and Robert MacPherson for helping with research.

¹ The Reading seizure of 1864 is mentioned briefly in Emerson D. Fite, *Social and Industrial Conditions in the North During the Civil War* (New York, 1910), 203, 211; also in Joseph G. Rayback, *A History of American Labor* (New York, revised edition 1966), 110. It is *not* mentioned in John R. Commons et al., *History of Labour in the United States*, vol. II (New York, 1918); nor in Reed C. Richardson, *The Locomotive Engineer, 1863-1963* (Ann Arbor, 1963); nor in the official history of the Brotherhood of Locomotive Engineers, published in the *Locomotive Engineers' Journal*, vol. 75 (Cleveland, 1941); nor in Gerald G. Eggert, *Railroad Labor Disputes: The Beginnings of Federal Strike Policy* (Ann Arbor, 1967). The story of the seizure was brought partially to light in 1967 when I wove it into the history of 71 cases in my book, *Presidential Seizure in Labor Disputes* (Cambridge, 1967), but this article is the first systematic treatment of the episode.

² Thomas Weber, *The Northern Railroads in the Civil War, 1861-1865* (New York, 1952); Harold and Margaret Sprout, *The Rise of American Naval Power, 1776-1918* (Princeton, 1939).

was an essential commodity for the movement of troops and materiel by both the military railroads and the naval vessels of the Union forces.

On July 1, 1864, the operating employees of the Reading walked out in what became—according to the company's official history—a “general tieup” of operations.³ The crews had given one week's notice; that is, they had presented “demands” one week earlier for wage increases of 50 cents per day for each class of labor. The existing rates of pay were \$3.60 per day for engineers, \$2.50 for firemen and conductors, and \$2.00 for brakemen.⁴ Although railroad train crews then were relatively well-paid, even as they are today, most prices were going up at this latter stage of the war and workers were beginning to seek—and sometimes to obtain—higher money wages. Hence both sides evidently looked upon this as a test of strength over a new pattern of wages. The company firmly refused the requested increases, its only public comment being that they expected these demands, if agreed to, would soon be followed by others.⁵ For approximately two weeks, therefore, the stoppage was the most effective on any railroad during the Civil War. Although several local strikes had been previously called on railroads in Detroit, Chicago, and Camden (New Jersey), all had been crushed by management without federal government intervention.⁶

The initial success of the Reading walkout appears to have been the result of three factors. The Reading train crews were in daily contact with the coal miners whose wages had been rising with the increased price of coal, brought about by the surging war-time demand. A second factor in the strength of the turnout was the fact that the Reading had a near-monopoly of the transportation of coal to Philadelphia, and the government was therefore unable to obtain help from other roads. A third factor involved the newly formed Broth-

³ Jay V. Hare, “A History of the Reading,” in *The Pilot* (monthly publication of the Philadelphia & Reading Department of the Y.M.C.A., Philadelphia), vol. 12, no. 1 (January, 1911), 5-6; this is part of the official history of the railroad which fills several volumes of this periodical.

⁴ *Public Ledger* (Philadelphia), July 11, 1864.

⁵ *The Press* (Philadelphia), July 18, 1864.

⁶ Richardson, *The Locomotive Engineer*, 122, 136; *Locomotive Engineers' Journal*, 75, 166; *Fincher's Trades Review* (Philadelphia), various issues 1863-1864.

erhood of the Footboard, which had organized "local divisions" of locomotive engineers on more than fifty roads in the previous fifteen months—a success that may have encouraged the Reading operatives to walk out.⁷

On the other hand, it is likely that the unusual success of the Reading strikers may have been due more to their very independence of the Brotherhood of the Footboard than to any reliance on the new organization. We do not know the exact relationship between the Brotherhood and the strikers; there is no reference to the Reading seizure in the union's official history. But we do know that the Reading stoppage contravened all the tenets that the Brotherhood had been developing. For instance, the Brotherhood sought to restrict its membership to locomotive engineers, whereas in the Reading case all classes of train operatives walked out together. Again, the Brotherhood favored peaceful settlement of grievances with management. When the Brotherhood did show militance, it was in resisting encroachments upon existing rights. The Reading strike was in support of a demand for higher daily pay.⁸

At any event, for approximately two weeks, the supplies of coal received in Philadelphia by Army and Navy agents were a mere trickle. At the same time, however, as company records indicate, the president of the railroad, Charles E. Smith, had an unrecognized and important asset that ultimately gave him the victory in this critical labor dispute. This asset was his traffic expediter, John Tucker.

Tucker, a former president of the Reading company, had been given leave commencing January 29, 1862, for one year, to serve as Assistant Secretary of War at the personal request of the new Secretary, Edwin M. Stanton.⁹ During 1862 he had supervised the development of the military railways department into an important adjunct of the armed forces. He knew everybody engaged in this work, including the Quartermaster General, Maj. Gen. Montgomery C. Meigs, and the general manager of military railroads, Brig. Gen. Daniel C.

⁷ Philip Taft, *Organized Labor in American History* (New York, 1964), 59; *Locomotive Engineers' Journal*, 75, 89.

⁸ Commons et al., *History of Labour in the United States*, II, 61-63, 68; Richardson, *The Locomotive Engineer*, 125, 136; *Locomotive Engineers' Journal*, 75, 86, 89, 166.

⁹ Hare, "A History of the Reading" in *The Pilot* (January, 1911), 5-6.

McCallum. He had learned to rely on the Act of January 31, 1862, which had been sponsored by Stanton, giving the President power to seize and operate any railroad or telegraph line whenever “in his judgment the public safety may require it”; and he knew that President Lincoln, in appointing General McCallum on February 11, 1862 to be “military director and superintendent of railroads in the United States” had given him “authority to enter upon, take possession of, hold, and use all railroads, engines, cars, locomotives, equipments, appendages and appurtenances that may be required for the transport of troops, arms, ammunition, and military supplies of the United States, and to do and perform all acts and things that may be necessary or proper for the safe and speedy transport aforesaid.”¹⁰

So the Reading through Mr. Tucker had unparalleled resources in Washington. When the strike proved to be virtually 100 percent effective, company president Smith sent Tucker to Washington to obtain temporary replacements for the strikers from the ranks of idle train crews of the Orange & Alexandria Railroad—then in government possession and known to be inoperative because of the successful conquest of the Shenandoah Valley by the brilliant Confederate general Jubal Early.¹¹

Soon things began to move. On July 10, 1864, Gen. McCallum ordered a force of 142 men—consisting of 26 conductors, 52 brakemen, 32 engineers, and 32 firemen—from Alexandria to Philadelphia for “temporary duty” on the Reading lines.¹² A brief hitch in operations was soon corrected. According to company records, Smith feared that army personnel might be unwilling to act as strikebreakers unless the railroad were officially seized and operated by the War Department. So he asked the commander of troops in the Philadelphia area, Maj. Gen. George Cadwalader, to take possession of the Reading line

¹⁰ Act of January 31, 1862 is in 12 Stat. 334; the executive order appointing McCallum is in *Official Records, War of the Rebellion* (Washington, 1880-1891), series III, vol. V, 974.

¹¹ Hare, “A History of the Reading,” in *The Pilot* (January, 1911), 5-6.

¹² Report of J.J. Moore, chief engineer and general superintendent, Military Railroads of Virginia, to Brig. Gen. D.C. McCallum, director and general manager, Military Railroads of the United States, July 1, 1865 [sic], in *Official Records, War of the Rebellion* (Washington, 1880-1891), III, V, 67-68. Telegraphic correspondence is in “Letters Received” and “Letters Sent” for July 10, 1864, records of the Office of Director of Military Railroads, records of the Quartermaster General (Record Group 92), National Archives (War Records Branch).

and operate it as a military railroad.¹³ General Cadwalader responded at once with the following order:

Headquarters
Philada., July 11th, 1864.

To Chas. E. Smith, President Reading Railroad—Sir:-

The Reading Railroad and its branches are hereby seized for the Military Service of the United States.

Its operations will be conducted under my directions solely for Military purposes until further orders.

Signed
Geo. Cadwalader
Maj.-Gen., commanding¹⁴

The same day, July 11, government crews arrived at the Reading offices in Philadelphia. They were experienced railroaders who had been “detailed” from their regular regiments to help operate the railroads seized by the War Department for communication with the front lines. They carried no pistols or bayonets; they were not “troops” in the usual sense of military police. They were troops only in the sense of being employees of the U.S. military railroads and subject to its discipline.

General Cadwalader immediately named Smith as superintendent of the Reading line for the period of government possession. The next day the Assistant Quartermaster General at Philadelphia, Col. G. H. Crosman, issued an order directing the Philadelphia & Reading to supply cars to thirty-two specified collieries and to transport coal of specified sizes from the collieries to the government agent in Philadelphia, Tyler & Co.¹⁵ The government crews were put to work on the main line and the “laterals” of the Reading system. All seemed

¹³ Hare, “A History of the Reading,” in *The Pilot* (January, 1911), 5-6.

¹⁴ The text of the seizure order was published in *The Press*, July 18, 1864, and in *The New York Times*, July 19, 1864. It was also included in the company’s own history.

¹⁵ The text of Colonel Crosman’s order is in his report to the Quartermaster General of August 12, 1864, in “consolidated documents” file, folder marked “Reading R.R. Co., Seizure of” in records of the Quartermaster General (Record Group 92), National Archives (War Records Branch). The text is also in Hare, “A History of the Reading.”

in order for the prompt resumption of coal deliveries, but again there were a few hitches.

In the first place, the premonition of the railroad president about the reluctance of soldiers to be used as strikebreakers proved to be sound. On July 15, John Tucker telegraphed Gen. McCallum complaining of "insubordination of our men" and asking, "Can you send a chief they are accustomed to obey?" McCallum's office promptly sent to Philadelphia one of the government railroad superintendents (probably M. J. McCrickett, the superintendent of the Orange & Alexandria Railroad) who dealt firmly with the crews, discharging three men for "insubordination and scandalous behavior."¹⁶

The next difficulty in restoring the flow of coal was the miners' strike action in the largest of the mines, Heckscher & Co.; these miners were striking for a pay increase, although they had just received an increase on July 1.¹⁷ A third problem was the refusal of several mine operators to load coal onto the Reading cars because the government agent paid less for coal than the market rate—\$5 or \$6 a ton instead of \$7.50.¹⁸ In spite of these difficulties, the War Department in a few days got the trains running, sufficient cars loaded with coal, and the flow of anthracite to Army and Navy agents restored.

On July 16, the striking train crews called off their stoppage and asked permission to return to work at existing pay schedules. This permission was granted to about half of them; the remaining seventy-five or so were summarily discharged. The complete collapse of the strike is indicated in the following extraordinary letter from the president of the Reading company to Gen. Cadwalader:

¹⁶ Telegraph correspondence in the cases of the three "insubordinate" men is in the files of the Office of Director of Military Railroads for July and August, 1864, Records of the Quartermaster General (Record Group 92), National Archives (War Records Branch).

¹⁷ Clipping from *Miners' Journal* (Pottsville, Pa.), about July 23, 1864, enclosed in letter from Tyler & Co. accompanying report of Assistant QMG Crosman to QMG of August 12, 1864. This strike may help to explain the inaccuracy of several histories which have incorrectly attributed the seizure to strikes of coal miners.

¹⁸ Letter from Tyler & Co. (government agents) to Assistant QMG Crosman accompanying his report to QMG of August 12, 1864. There were mutual accusations of price gouging from the government agents on one hand and the coal operators on the other. See the discussion in *The Press*, July 18, 1864.

Philadelphia & Reading Rail Road Co.
Office 227 South Fourth St.
Philada. July 18, 1864.

Maj. Gen. Geo. Cadwallader [*sic*]

Sir

Our difficulties having terminated by the complete submission of the men, and the discharge of more than one half of them, I avail myself of the occasion to thank you for the prompt support which you rendered to me throughout—especially for your immediate compliance with my request that you should take military possession of the road.

Your action brought the strike at once to a crisis and hastened a result favorable to us.

Resply, Yours &c

Charles E. Smith
Prest.¹⁹

In seizing railroads near the battle zones, the War Department had been very careful to give each road the “just compensation” which the Constitution requires for the government’s use of private property. In fact, provision for determining the amount of compensation was included in the Railroad and Telegraph Control Act, but this machinery was not used in this case.²⁰ In the Reading seizure, the company benefited so much from government operation that it was evidently willing to waive any monetary compensation. In order to protect the government from future claims, Gen. Cadwalader requested the above letter, which he forwarded to Maj. Gen. Darius N. Couch who commanded the Department of the Susquehanna. A calling card of John Tucker, attached to the letter, bears this handwritten message: “All is perfectly right on the Rail Road for which we are much indebted to you and your action is properly appreciated.

¹⁹ “Letters received” file, July 1864, U.S. Army commands, Department of the Susquehanna (Record Group 98), National Archives (War Records Branch).

²⁰ U.S. Constitution, Amendment V; 12 Stat. 334.

I have the letter you want and will hand it to you for the morning train if it is all right.”

On the same day, July 18, the order of the Assistant Quartermaster General regarding sizes of coal was revoked as no longer needed; and the next night the military train crews returned to Alexandria. The Reading was again operating in private hands.²¹

In the month of August, however, several matters remained to be settled, two of which had to be referred to the Secretary of War and a third requiring action by the Brotherhood of the Footboard. One of the government agents for the purchase of coal, Davis Pearson & Co., protested the seizure in a bitter letter to Stanton, who then ordered an investigation by Maj. Gen. Meigs, the Quartermaster General. The results of the investigation were inconclusive but produced a large file of factual letters and reports from the Assistant Quartermaster General in Philadelphia.²²

More definitive was the outcome of the case of the three crew men who had been discharged for insubordination while on duty on the Reading. They were remanded to their regular regiments by order of the Secretary of War; they were thus obliged to serve the rest of their enlistments in combat units at ordinary soldiers' pay.²³

The Brotherhood of the Footboard, although evidently not responsible for the disastrous strike, was nevertheless shaken by it. At a convention on August 17, 1864, the delegates voted to restrict membership thereafter expressly to locomotive engineers and to require any serious disputes with management to be reported to the Grand Chief Engineer for adjustment. To emphasize the new craft structure and the abandonment of militancy, the delegates changed the name of the organization to the Brotherhood of Locomotive Engineers and replaced the aggressive founding head of the Brotherhood, William D. Robinson, with a new Grand Chief Engineer, Charles Wilson.²⁴

²¹ Report of J.J. Moore, *Official Records, War of the Rebellion*, III, V, 67-68.

²² Report of the Assistant QMG to QMG, August 12, 1864, in records of QMG (Record Group 92), National Archives.

²³ “Letters Received” and “Letters Sent” for July and August, 1864 in records of the Office of Director of Military Railroads, Records of the QMG, (Record Group 92), National Archives (War Records Branch).

²⁴ Commons et al., *History of Labour in the United States*, II, 61-63; Taft, *Organized Labor*

These extraordinary measures of the country's first railroad labor organization, taken within a month after the failure of the Reading strike, mark a slowdown in the growth of the "brotherhood"; a move toward exclusiveness by the engineers; and a return to the anti-strike, educational, and welfare policies of the early organization. The strike and government seizure, however, did not completely halt the growth of labor organization on the railroads, nor did it permanently end militancy. For the Brotherhood of Locomotive Engineers, as it was now known, soon established a mutual insurance fund, increased its membership, and by February, 1877 was again engaged in a strike that obliged the national government to intervene.²⁵ In the meanwhile, train crews other than the engineers formed their own craft organizations—the Order of Railway Conductors in 1868, the Brotherhood of Locomotive Firemen in 1873, and the Brotherhood of Railroad Trainmen in 1888.²⁶

In 1894, Eugene Debs sought to unite all railroad workers in a single union, the American Railway Union, in support of a nationwide strike, but the brotherhoods gave him little or no assistance. In subsequent years—even to the present—the railroad labor organizations have maintained a high degree of structural independence. While it is true that four of the five organizations among train crews merged in 1969 to form the United Transportation Union, the B.L.E. still maintains its separate identity, and collective bargaining with the railroads is carried on by about twenty different craft organizations that join forces from time to time in unstable alliances.²⁷

So the strike of 1864 deserves to be remembered at least for its impact on union history, although the B.L.E. itself has relegated the incident to the limbo of events best forgotten. Today, more than a century later, the strike and resulting federal operation also deserve

in *American History*, 59; Richardson, *The Locomotive Engineer*, 125, 136; Harry A. Millis, ed., *How Collective Bargaining Works* (New York, 1942), 323 note.

²⁵ This strike, against the Boston & Maine, was marked by the arrest and conviction of strike leaders on criminal charges of obstructing the mails. *U.S. v. Stevens et al.*, 27 Fed. Cas. 1312-1321.

²⁶ Millis, *How Collective Bargaining Works*, 323-25.

²⁷ Charles M. Rehmus, "Evolution of Legislation Affecting Collective Bargaining in the Railroad and Airline Industries," in *The Railway Labor Act at Fifty* (Washington, D.C., 1977), 16-18.

examination for the historical perspective they provide on federal strike controls. The Reading seizure was one of the first anti-strike measures taken by the national government.²⁸

Three aspects of the Reading case deserve special attention for the light they throw on the problem of emergency strikes. One is that the substitution of military personnel for striking civilians is frequently possible in transportation disputes. This has been true in the past not only on the railroads but in trucking, longshoring, and harbor towing.²⁹ A recent example was the substitution of military air controllers for striking air controllers in 1981.

A second point that emerges from the Reading seizure is that the strikers themselves might have been induced to remain at work, as in many subsequent stoppages, if the government had taken responsibility for settling the dispute on equitable terms. This possibility was hinted in two of the labor papers of the day.³⁰ Although both of the labor papers indicated that the use of soldiers as strike replacements was positively "oppressive," they both recognized that the strike "embarrassed the government" by restricting the movement of war supplies and both made it clear that their principal objection was to the government's failure to support the strikers' demands for a fifty cents a day increase in pay.

In the words of *Fincher's Trades Review*: "Whether the government took possession of the road or not, it has the power to do so, when the public necessity requires it; and it also has the power to force the company to work that road, let the wages demanded be what they may. We are mortified, we are sorry, that the power of a magnanimous nation should be given to a corporation for the purpose of forcing their workmen to such terms as a rich and exacting company may dictate."

This attitude toward seizure by the unions again appeared in re-

²⁸ John L. Blackman, Jr., *Presidential Seizure in Labor Disputes* (Cambridge, 1967), chaps. 1 and 10.

²⁹ Blackman, *Presidential Seizure in Labor Disputes*, 226-30.

³⁰ *Fincher's Trades Review*, July 23, 1864; *Weekly Day-Book* (New York), July 30, 1864. The latter is quoted in Basil L. Lee, *Discontent in New York City, 1861-1865* (Washington, D.C., 1943), 224.

sponse to the publication of Theodore Roosevelt's memoirs in 1913 in which he disclosed his secret 1902 plan to seize the anthracite mines and put into operation the recommendations of his own appointees, if the mine owners had refused to arbitrate the dispute.³¹ By implication, seizure could be used in peace as well as war, and it could be applied either to support union demands or to reject them, according to the policies of the President. The publication of the *Autobiography* was followed by requests (not granted) for presidential seizure from the miners' union; and when the government formally took control of all the railroads in December, 1917, the unions cooperated fully and the Railroad Administration formally recognized and negotiated with them.³² Subsequent relations between presidents and unions in seizure cases have been examined by various scholars.

A third point emerges from this look at the Reading seizure. When the government computes "just compensation" for its temporary commandeering of private facilities in a labor dispute, it properly considers the benefits accruing to the private owner as well as any losses that might arise. This principle led the Reading Railroad to waive monetary compensation in the Civil War, and it again led many of the seized firms in World War II to waive such compensation. Such waiving of compensation does not impair in any way the government's complete managerial authority over the firm's operations during governmental possession.³³

As to why the labor movement and labor historians have overlooked this useful and interesting episode, there is no clear explanation. One possibility is that the seizure itself was overshadowed at the time by Gen. Early's daring cavalry raids into Pennsylvania, raids that appear to have alarmed Philadelphians even more than the railroad strike did. In modern phrasing, the media "played it down." Another possibility is that the seizure might have been considered merely a war measure, no longer needed. But this explanation overlooks the

³¹ Theodore Roosevelt, *Autobiography* (New York, 1913), 504-18, especially 514; Samuel Yellen, *American Labor Struggles* (New York, reissued 1936), chap. 5; Mark Sullivan, *Our Times*, vol. II (New York, 1927), 430-43.

³² Walker D. Hines, *War History of American Railroads* (New Haven, 1928), chap. 14.

³³ Blackman, *Presidential Seizure in Labor Disputes*, 119-22. Of the 71 seizures, 63 were marked by some form of mutual release. In the seizure of 1864, the company's waiver was implied rather than specified.

occurrence of major strikes in the 1870s and later years and the continuing necessity for forceful action of some kind to protect the public interest in peace as well as in war.

A more likely explanation could be that the political reform movement in the late nineteenth century generally sought the avoidance of military forms of strike control and preferred to substitute mediation and arbitration in labor-dispute "emergencies," while conservative forces sought to substitute the equity injunction and criminal prosecution for military measures. By the time Theodore Roosevelt's book came out in 1913, the injunction and criminal prosecution had a "bad press," and arbitration was not always acceptable to the disputing parties. So by the time of World War I, the progressive forces were ready to try seizure with a pro-union policy.

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