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FOREWORD

Little more than a year ago, labor disputes had grounded a substantial portion of the nation's commercial air fleet. And recently there have been some ominous prophecies that American trains might be halted in some future clash between financially hard-pressed rail carriers, intent on cutting wage costs, and powerful unions, seeking to protect the jobs of their members. During 1959, events in the steel industry demonstrated vividly the importance of labor peace to the national economy.

Against this backdrop, it is not surprising that this issue of the *Transportation* symposium commences with articles concerning labor problems. In the first paper, Mr. Oliver examines the labor milieu on land and sea and in the air. Next, Mr. Wishart reports on the experience with the Railway Labor Act, which now applies to both rail and air labor disputes; and he concludes that some repair of the present system is definitely in order and that perhaps the air carriers should be placed within an entirely different statutory framework. Mr. Henzey then discusses the struggle between airlines and labor unions and the jurisdictional disputes that have accompanied the transition of commercial aviation into the jet age.

High American labor costs in the construction and operation of shipping have helped induce Congress to enact the merchant-marine legislation that is then surveyed by Chairman Morse of the Maritime Administration. Very notable in the effort to sustain a strong merchant marine is the requirement that American vessels be preferred for carrying certain overseas shipments made pursuant to various governmental programs. Cargo preference—heretofore rather neglected by legal periodicals—is comprehensively treated next by Mr. Olson.

Even though it may be aided by various forms of governmental action, a carrier is not immune from the necessity of raising capital to finance its operations—and to do so usually involves the large-scale issuance of securities. So far as the transportation industry is concerned, corporate executives may be confronted with federal regulation from either of two agencies—the Interstate Commerce Commission and the Securities Exchange Commission. The demands and standards of these regulatory agencies are often quite distinct, as Mr. Turney indicates in the article that follows. (Of course, the existence of difference in the approaches of the two agencies

to problems of securities flotation was also highlighted by the recent *Alleghany* litigation.) An entirely distinct field of federal regulation of transportation—the regulation of domestic small shipment services—is Mr. Miller's subject.

In so far as certain types of ICC regulation of motor carriers are concerned, the significant—and controversial—"agricultural exemption" was carved out by Congress some twenty-five years ago, when the Motor Carrier Act became law. This exemption has since become the darling of farmers' groups and others, but it has, on the other hand, drawn the wrath of many common carriers. And as Dr. Linnenberg next points out in his definitive discussion of the subject, despite the recent congressional redefinition of the agricultural exemption, the controversy bids fair to continue.

Whatever the resolution of such problems as exemptions, however, one problem—that of national defense—and, with it, of military traffic—will undoubtedly remain. Mr. Randolph, in the closing article, gives insight into the unique demands that military traffic must make upon the American transportation system and explains some of the administrative techniques that have been devised and provisions of law that have been enacted in response to these demands. While Mr. Randolph purports to be writing primarily from the viewpoint of a military traffic manager, his article has an exceedingly broad perspective, and as a dividend, he refers to several impending transportation innovations which will benefit not only military traffic, but also the vitality of the entire transportation system.

In concluding this foreword, it seems appropriate to emphasize that many significant innovations are just over the horizon in American transportation. Jet-age developments in commercial aviation are already well-known; the motor carriers are developing new techniques; and even the railroads, long accused of sluggishness, seem to have awakened from their lethargy. Perhaps this symposium will help its readers to anticipate and evaluate the future in transportation and to make a reality of the bright possibilities that are a part of that future.

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