It was not until the early 1920s that Daniel Willard was widely recognized as a railroad president distinctly different from his peers. It should not be thought, though, that he was doing nothing noteworthy in prior years. In fact, he was doing a number of things of significance, all valuable in their own right, but more importantly, serving as groundwork for the programs and accomplishments that would make his reputation later in his career. From the very beginning of his presidency in 1910, he did and said things that gave his employees a firm sense of what sort of man he was, and of how and where he would lead them. Two culture-shaping themes were made clear: “We are a family” and “We have a job to do.” The former was given tangible managerial expression in his tolerant approach to unions and in his establishment of an employee welfare department; the latter, in his physical rebuilding of the railroad and his dalliance with scientific management. Both themes were explicit in the establishment and conduct of safety committees and the company magazine. These and similar secondary managerial actions are described in some detail in this chapter, after a setting of the stage and a synopsis of the background of the leading player.

When Daniel Willard became president of the Baltimore & Ohio Railroad, he did not assume the leadership of a smoothly running, highly efficient organization. The B&O was no longer the dilapidated, chronically dependable laughingstock that it had been during the early 1890s; considerable progress had been made since the company’s tumble into receivership in 1896. But serious problems remained. In fact, to a degree the B&O was suffering from
the success of its own resuscitation. Although normal maintenance had been resumed and a number of notable improvements to the property had been completed, the railroad was incapable of handling the large increase in traffic that it had generated after its emergence from bankruptcy protection in 1898. Revenue per mile of road operated had increased almost 59 percent by the end of fiscal 1907, and track capacity had not been increased sufficiently to handle the new business. The results, especially in winter when operating conditions were more difficult, were frequent long tie-ups of freight trains waiting to get into or out of terminals or sitting in sidings out along the main lines. On numerous occasions, the company had to impose brief freight embargoes while it unclogged itself.¹

The B&O was not the only railroad to be hard pressed by heavy increases in demand for its services during the first decade of the century. As the American economy recovered from the extended depression of the mid-1890s, the railroad industry in general was subjected to a traffic surge of unprecedented size and duration. By the winter of 1906–1907, the capacity of existing trackage and rolling stock was insufficient to cope with the flow. A Northern Pacific executive likened the situation to “attempting to force a three-inch stream through a one-inch nozzle.” The situation might have continued to worsen had not the Panic of 1907 and subsequent recession relieved some of the pressure. Railroad capital improvements, although slowed by the downturn, were slowed less than the flow of traffic, and most of the industry was able to catch up a bit on its inadequacies of capacity before traffic levels resumed their rise. By 1910, across most of the system, serious bottlenecks were relatively uncommon.²

Unfortunately, they were not uncommon on the B&O. The company had not made the same progress in improving its property as had most of the other large carriers. The B&O of 1910 was a noticeably better railroad than the B&O of 1896, but its speed and reliability still left much to be desired.

The failure of the B&O to make adequate capital improvements to its property was not a function of any lack of profitability. The company’s return on equity averaged 8.26 percent from 1900 through 1909³—not an outstanding figure, but a respectable one. Rather, the failure appears to have sprung from two other factors: the preferences of principal B&O shareholders, notably the Pennsylvania and Union Pacific railroads, and the interests and talents of Willard’s predecessor, Oscar Murray. Murray’s forte was not in physical operations, where the company’s greatest difficulties lay. As for B&O shareholders and the board of directors that represented them, their primary concern late in the first decade of the century seemed to be dividends, not reinvestment of profits in capital improvements to the railroad.

Retention of at least half of annual net income for reinvestment was a widely observed industry norm.⁴ The B&O adhered to that norm early in the
decade, paying out only 45.4 percent of net income as dividends on common stock during the years 1901 through 1906. In 1907, though, the company shifted its dividend policy in favor of greater payout: dividends were increased despite a drop in profit. The next two years’ nets were even lower than that of 1907, but the higher dividend was maintained, resulting in a three-year payout ratio of 80.9 percent.\(^5\) Internal reinvestment was reduced to a trickle, and “construction and betterment” expenditures fell from $11.5 million in fiscal 1904 to $4.8 million in fiscal 1909.\(^6\)

The 1907 change in B&O shareholder attitude appears to be traceable to the weakening of the pattern of intercorporate relations that characterized the railroad industry during the immediately preceding years, a pattern that had yielded greater stability and coordination than the industry had ever known. To repair the corporate wreckage caused by the depression of the nineties, the industry, with the active encouragement of its investment bankers, gradually had grouped itself into regional “communities of interest.” Through common ownership and interlocking directorates among formerly competing lines, it was the intent of these groupings to eliminate the cutthroat rate competition that had plagued the railroads for decades. So, during the first years of the new century, most of the nation’s major carriers had aligned themselves into seven clearly identifiable communities of interest, one of which was the Pennsylvania Railroad (PRR) group.\(^7\)

The principal step in the formation of the Pennsylvania group was the acquisition of controlling interest in the Baltimore & Ohio; roughly 40 percent of the B&O’s common and preferred stock was purchased by the PRR between 1899 and 1901. In the latter year, the Pennsylvania was able to install one of its own operating executives, Leonor F. Loree, as B&O president, and to begin running the B&O almost as a subsidiary. Loree’s three-year tenure was generally good for the B&O. As the PRR now viewed its southern neighbor more as an adjunct to its own operations than as a competitor, significant property improvements were made, and dividend payouts were kept moderate. Then in 1904 Loree left the B&O, passing the presidency to Murray; the same year, the Supreme Court handed down its decision in the Northern Securities case. That decision, which found holding-company ownership of the parallel Northern Pacific and Great Northern systems to be a violation of the Sherman Act, had a chilling effect upon the whole notion of communities of interest. The Pennsylvania, concerned about facing similar litigation, sold off approximately half of its B&O holdings to the Union Pacific (UP) in 1906, and abandoned any further prospect of operating the PRR and B&O as a semi-integrated system. Thenceforward, the PRR, the UP, and other B&O shareholders seem to have viewed the company simply as a “cash cow.” During the latter half of Murray’s presidency, the B&O was milked hard.\(^8\)

Oscar Murray was not a bad president; he just was not the right president.
As the B&O’s coreceiver during the 1890s and as traffic vice president until his elevation to the presidency, Murray had established a reputation as a salesman of the highest order: a “traffic genius, perhaps without a peer in the country.” He clearly understood how to get traffic. Whether he had a similar understanding of how to develop and to operate the physical plant and equipment necessary to accommodate that traffic is less clear. The weakness of Murray’s presidency, if not a failure to comprehend the nature and magnitude of the company’s operating inadequacies, was at least a failure to convince a majority of the board of the pressing nature of those inadequacies and of the need for major remedial investment. By late 1909, at least one board member (Union Pacific executive Robert S. Lovett) had become convinced of such a need on his own. The long-term health of the cow was a matter of increasing concern. Either on his own initiative or with the encouragement of the board, Murray made plans to retire, and a search for his successor began.9

Obviously, the B&O needed a leader thoroughly schooled in the operations side of the business. Such a man was Daniel Willard. Willard had started his career at the very bottom of the blue-collar ranks, as a track laborer, and he had worked his way across and upward through practically every segment of the railroad operating department. In on-train service he held all four positions: fireman, brakeman, engineer, and conductor. In on-the-ground service he held the positions of agent, tower operator, and enginehouse foreman. As he advanced into the white-collar ranks, he served successively as trainmaster, assistant division superintendent, division superintendent, assistant general manager and purchasing agent, and operations vice president. He moved between organizations as well as within them, gaining personal contacts and exposure to different ideas and operating approaches along the way. Before becoming B&O president, he spent in succession three months on the Vermont Central, four years on the Connecticut & Passumpsic, one year on the Lake Shore & Michigan Southern, fifteen years on the Minneapolis, St. Paul, & Sault Ste. Marie (Soo Line), two years on the B&O, three years on the Erie, and six years on the Chicago, Burlington, & Quincy. With this last company he served as operations chief for the great railroad entrepreneur James J. Hill. Willard brought to the Burlington an exceptional level of operating efficiency, in so doing winning a position as one of Hill’s most valued and trusted subordinates.10

With his great breadth and depth of experience and success in the area where the B&O needed help most, with the favorable impression that he had left during his brief tenure as B&O’s assistant general manager, with his ties to one of the industry’s most prominent movers and shakers, and with his pleasant and personable yet businesslike demeanor, Willard was nearly the ideal choice to lead the Baltimore & Ohio out of its inefficient and increas-
ingly demoralized state. He assumed the presidency, with his work cut out for him, on January 15, 1910.

Willard engaged his task immediately. During fiscal 1910 (ending June 30), the B&O placed orders for 284 new freight locomotives and 15,000 freight cars, costing roughly $23 million, to be used largely on heavily congested and backlogged West Virginia coal lines. An additional $20 million in track capacity improvements was begun. Maintenance expenditures on existing plant and equipment were increased 30 percent over those of fiscal 1909.11

Willard continued the intensive upgrading of the property throughout the first half of the decade. By the end of fiscal 1915, $41.9 million had been spent on new equipment, and $47.3 million had been spent on construction and betterments. The notorious Doe Gully Tunnel bottleneck, on the Main Stem east of Cumberland, had been removed entirely. New double-track tunnels had been opened at Sand Patch on the Chicago main line and at Kingswood on the St. Louis main line, eliminating constrictions in the crossings of the Allegheny Mountains. The thirteen-mile Magnolia Cutoff had been built, bypassing nineteen miles of curving line in the upper Potomac Valley. Numerous grades and curves had been reduced in severity, multiple main line running tracks had been added, sidings had been added or lengthened, and terminals and classification yards had been expanded. With the capacity of the fixed plant increased, and with faster and more powerful locomotives moving the trains, the B&O’s efficiency and reliability improved dramatically.

In one sense, though, Willard was no wiser or more successful than was Oscar Murray, who served as the chairman of Willard’s board of directors until his death in 1917. That was in the matter of finance: the B&O’s dividend payout ratio remained imprudently high (86.0 percent for the period 1910–1915), which meant, in the absence of a new stock issue, that the company’s capital expenditures had to be financed almost entirely with debt. Accordingly, the B&O’s secured debt rose $83.7 million from 1910 to 1915, a 26.6 percent increase. Its ratio of total debt to common equity rose from 2.15 to 2.64 as its already burdensome debt load became even more so.12 Continually rolled over and never really retired, the B&O’s debt, and the interest charges that went with it, would nearly force the company into bankruptcy during the Great Depression. But Willard had been hired as an operating man, not as a finance man. His task was to develop a railroad and to run its trains, and he did so with distinction.

If he was not hired as a finance man, it is equally certain that Daniel Willard was not hired as a personnel theorist. Personnel matters really were not considered to be at issue when Willard was hired. If a personnel problem existed, it was assumed to be one of general morale, which might be corrected simply by fixing up the property and running it efficiently. Willard did not
consider himself a theorist of any sort; later in life, when he heard himself described as "a great philosopher," he retorted that he was "no such person," just "a plain down-East Yankee . . . [of no] unusual or outstanding abilities or qualifications."  

Yet it was in the field of personnel relations—if not as a philosopher, then as a man with a clear, right-minded, and rigorously followed philosophy—that he made his most significant and enduring accomplishments. That is the thesis of this book: that Willard's bedrock respect for the intrinsic value and dignity of his employees led to the creation of a set of personnel policies and programs that made the B&O much more than an improved physical property. Willard treated his subordinates, all the way down to the level of car cleaner and track laborer, as people who might know something about the proper functioning of the company that he did not know. That was his starting principle. It is summarized in the sign that he had printed and placed in his office as a trainmaster for the Soo Line in 1890, and that he kept prominently displayed in his office throughout the remaining fifty-one years of his career: "SUGGESTIONS ARE ALWAYS IN ORDER."

This exceedingly simple statement of managerial philosophy gave rise, appropriately often at the suggestion of others, to a series of steps that would transform the B&O into an organization that was, for its time and its industry, exemplary. The company was by no means a textbook example of managerial perfection. But in its explicit pursuit of labor-management cooperation, in its efforts to involve workers more fully in the life of the company, and in its creation of a sense of family among its employees, Daniel Willard's B&O by the 1930s was in a class by itself among major American corporations. It is only in the past decade that his programs and approaches have been copied extensively in the United States, many of them in emulation of the remarkably similar (and subsequent) "Japanese management style."

How did it come to pass that an up-from-the-ranks operating man in an industry as hard and unyielding as railroading should be a leader in the field of personnel management? The answer surely is complex, and no comprehensive and certain answer will be attempted here. In general terms, though, it seems reasonable to look for the answer in his upbringing and in his early career experiences.

Willard was born on January 28, 1861, in North Hartland, Vermont, a tiny community in the Connecticut River valley. He grew up on a large, extended-family farm, of which his father farmed 250 acres. The Willards were financially secure but not wealthy. They were occasionally able to afford the temporary services of a hired hand, but for the most part they did their own work. Daniel, as the only boy in the family, was given heavy and de-
manding chores from early in his childhood. His duties as a child were particularly difficult during the harsh Vermont winters. Edward Hungerford, Willard's biographer, records his remembering those childhood chores "rather sadly." But they were "part of the discipline of the beginning of a life that was based upon discipline." 14

Willard's father, Daniel Spaulding Willard, had experienced a fling with adventure during his youth, having run away to sea and having sailed twice around the world. But when he returned from his last voyage, he settled comfortably into the life of the successful farmer and family man. Typical of that time and place, he ran both farm and family in firmly authoritarian fashion. Willard's acceptance of his father's authority evidently was inculcated, not innate. In Hungerford's words, "He was full of mischief, and a good whaling now and then on the part of a fond but just parent was merely part of the routine of life." 15

Willard's mother died of pneumonia when he was five. He clearly was affected by the loss, but not crippled by it, with his grandparents, various aunts and uncles, and later a kind and dedicated stepmother to compensate for the lost nurturing. The family member to whom he was closest during those years was his younger sister Maria; her influence was significant and continuing throughout much of his career, as she lived with him and his wife from the mid-1890s until her death in 1934. 16

The Willards were devout fundamentalist Methodists, and religion was an essential element in the shaping of Daniel Willard's character. The Bible was read regularly in the Willard home, and Sunday mornings and afternoons were spent in church. During his youth, Willard frequently attended revival meetings; he answered his first altar call and personally accepted Christ at the age of fourteen. A year later he was superintendent of the local Methodist Sunday School and teacher of its Old Folks Class. 17

Also at age fifteen, he was appointed teacher in the local public school. It was customary in such small, rural, cash-short districts for the teacher to receive compensation in the form of free room and board in the homes of district residents. One local citizen with whom Willard boarded, who would have a significant impact upon his life, was an elderly widow named Sarah Taylor. She was a woman of intense literary interests, and she and her library created in Willard both a first appreciation of culture beyond his own and a desire to know more about the world outside rural New England. After nearly two years of Mrs. Taylor's encouragement and of reading the weekly Joseph Cook lectures in the New York Tribune, Willard left to prepare for college at the high school in Windsor, seven miles downriver. It was his wish to enroll eventually at Dartmouth, only ten miles upriver on the New Hampshire side, but he lacked the money to do so. He enrolled instead, financed by the few hundred
dollars that his father could scrape together, at the Massachusetts State Agricultural College in Amherst.\textsuperscript{18}

Willard’s experience at “Amherst Aggie” was a brief and troubling one. While he was there, he had to confront three crises: one vocational, one spiritual, and one physical. First, it became clear that he never really wanted to be a farmer. He had always been intrigued by the passage of the trains of the Vermont Central, which cut through his father’s farm; although farming might be a reasonably satisfying way to spend one’s life, the excitement and adventure of railroading appealed to him much more. Second, he discovered that he could not reconcile his literal understanding of the Bible with the rationalist thinking and scientific knowledge to which he was being exposed; it was his faith that gave way. He was not to return to firm faith and active church participation until midlife, and then as a Unitarian, not as a fundamentalist. Third, his eyes could not tolerate the heavy regimen of reading. His astigmatism was later corrected by glasses, but there was no such help available to him in 1879. He left school in the spring of his freshman year and returned to the family farm. He worked there for a month, then went railroading on the Vermont Central.\textsuperscript{19}

When the opportunity arose, he left his job with the Vermont Central track gang to become a locomotive fireman in northern Vermont with the Connecticut & Passumpsic (C&P). Within two years he had been promoted to engineer. A year later, at the age of twenty-one, he did an unusual thing for a young railroad man of some ambition to do back in the nineteenth century: he joined the Brotherhood of Locomotive Engineers. In 1882 a person could be fired for joining a labor union, and the superintendent of the C&P was rumored to be inclined to take such action. Willard did so anyway. Operating crew hours were long—sixteen-hour days were common—and the work was demanding and dangerous. Even so, in later years Willard insisted that it was not any sense of exploitation that led him into the Brotherhood. It was, he said, as nearly as he could tell the result of his ingrained Vermont independence; he simply did not like the idea that management could tell him not to join.\textsuperscript{20}

In 1883, in pursuit of higher wages, he moved west to the Lake Shore & Michigan Southern. He was hired as a freight engineer working out of Elkhart, Indiana; he prospered briefly, then was furloughed as business turned downward in the spring of 1884. The experience of being on his own and jobless was among the most significant of his career. He often spoke of its impact, especially when labor relations issues were being discussed. The Willard Memorial issue of Baltimore & Ohio Magazine, published just after his death in July 1942, commented, “He never forgot the humiliation and discouragement of being out of work—and work just could not be had then in the railroad
town of Elkhart, Ind., in which he was then living. He often said that he envied the men he saw sweeping the streets. That most men want more than anything else, a steady job, and the assurance of a steady job, later became a fundamental part of Willard’s labor philosophy.”  

Willard was not long out of work, though. By July his letter to the nascent Soo Line in Minneapolis had secured him a job as a construction train brakeman. That job represented a considerable reduction in status and pay from his Lake Shore job, but before a year had passed he had been promoted twice, to engineer and then to enginehouse foreman at the newly created division point at Turtle Lake. In the latter job, Willard performed an amazing variety of tasks: engine crew supervisor, blacksmith, machinist, carpenter, car cleaner, furnace tender, relief engine, relief conductor, and relief station agent. His successful performance of those duties brought him to the attention of top management in Minneapolis, particularly Frederick D. Underwood, the general manager. He was offered the position of chief clerk to the division mechanical officer; he declined in favor of the opportunity to return to his first love, running a locomotive. Then, despite his testing of management patience by his refusal to handle Burlington Route cars when his union struck that railroad, in 1890 he was offered the position of trainmaster at Minneapolis;
he accepted. He resigned from the union and took his first real middle-management position.22

Willard had returned briefly to Vermont in 1885 to marry Bertha Leone Elkins, a young woman whom he had met while he was working for the C&P; their two sons were born in 1890 and 1894. During this period he became Underwood’s protégé. Underwood found Willard personally congenial, rigorously honest, efficient, and thorough. Under his mentorship Willard advanced from trainmaster to assistant superintendent to superintendent on the Soo Line. Then in 1899, when Underwood was brought to Baltimore as vice president and general manager of operations for the B&O, Willard went with him as assistant general manager. In 1901, Underwood was appointed president of the Erie; again Willard accompanied him, as vice president of operations.23

By this time, Willard’s managerial skills had acquired some sophistication. He was determined, as indicated previously, to be active in soliciting suggestions on operating improvements from his subordinates; he also was determined to pass suggestions upward. His immediate superiors on the Soo Line, however, were not always receptive to ideas from underlings. Accordingly, he often found it necessary, in the course of discussing his ideas with a superior official, to ascribe those ideas to that other person. The artifice served him well as he rose through the ranks, but the discomfort that he felt in doing so reinforced his resolve not to force his own subordinates into similar behavior.24 His “SUGGESTIONS ARE ALWAYS IN ORDER” sign was the most consistently visible outward reminder to the people around him to be creative and to take credit for their creations.

As would any good mentor, Underwood knew when to push his protégé on to a greater opportunity than he could offer in his own company. Underwood had been acquainted with James J. Hill when the former was with the Soo Line, in the Hill lines’ home territory of Minnesota, and he had grown to know Hill better as Hill developed a financial interest in the Erie. He saw to it that when Hill made his frequent trips east over the Erie, he was accompanied by Daniel Willard. Hill was impressed, and when he acquired control of the Chicago, Burlington, & Quincy in 1903, he offered Willard its operating vice presidency. Willard was “a little staggered” at the size of the offer ($50,000 per year and a $100,000 cash bonus), but before accepting it, he made certain that he had Underwood’s blessing. When that was enthusiastically given, Willard became an officer in the service of James J. Hill, “the Empire Builder.”25

Hill had the reputation of being a tough, hard-driving taskmaster. Willard in his years at the Burlington proved that he could be the same. He treated Hill’s expansion and major upgrading of the property as if it were a war of
survival, and he exercised discipline accordingly. He devoted practically every waking hour to the effort, and he expected his subordinates to do likewise. For those who did not, he had little use; he replaced his secretary almost on the spot when he balked at accompanying Willard and Hill on a seventh consecutive sixteen-hour day of inspecting and directing the improvements. These years saw Willard at his toughest, but he did not lose his appreciation of the perspective of the men out on the line. As he pushed the capital program, he replaced the railroad’s traditional punishment-by-suspension disciplinary system, under which an operating employee with an otherwise perfect record would be suspended without pay if found guilty of any rule book infraction, with the “Brown system,” a merit/demerit arrangement under which the employee might work off the punishment without loss of pay. He won the respect of his people, and even a measure of affection; it was on the Burlington that he first was referred to as “Uncle Dan.” More critically, he was successful. The railroad was upgraded, and speed and efficiency greatly increased; car-miles per car per day rose 50 percent during Willard’s tenure. His reputation as an operating man was made, and through it came the offer of the presidency of the Baltimore & Ohio.36

At the B&O, Willard reported to a board of directors that included some forceful and influential people, Samuel Rea of the Pennsylvania Railroad and Robert S. Lovett of the Union Pacific notable among them. None, however, had either the ownership position or force of personality of James J. Hill. At the B&O, Willard was much more his own man. Free of Hill’s dominance, his management style became a bit less intense, and his concern for the human side of the business began to grow.

Willard always had believed in promoting from within; as he moved from the Erie to the Burlington to the B&O, he did not take any retinue of subordinates with him. He had been known, however, to promote (and demote) somewhat abruptly, as in the cited example of his secretary. At the B&O, he seemed to move somewhat more sensitively. His handling of the Potter problem was a case in point. When Willard returned to Baltimore, the vice president of operations was George L. Potter, a former Pennsylvania Railroad official installed at the B&O by the PRR in 1903. Potter had hurt morale in the company’s eastern region prior to Willard’s arrival by discharging, for no apparent reason other than jealousy, the highly popular regional general superintendent, Thomas Fitzgerald. Willard did not fire Potter immediately. Arthur W. Thompson, head of maintenance of way engineering when Willard became president in January 1910, had just distinguished himself in his speedy and efficient replacement of the Susquehanna River bridge above Havre de Grace. In April Willard created the position of consulting engineer for his chief engi-
neer, and he promoted Thompson to the latter position. Thompson continued his impressive performance, planning and building the Monongahela River bridge at Lumberport in only three months. Then in December Willard quietly asked for Potter’s resignation and replaced him with Thompson.27

Of broader import was Willard’s handling of a threatened strike by the conductors’ and trainmen’s brotherhoods during his first month in office. Unlike many of his counterparts at other companies, he did not approach the threat as if it were an act of hostility toward the railroad by some illegitimate outside entity. No doubt with his own time as a blue-collar union man in mind, he did not question the right of his employees to bargain collectively. Although in those pre—Railway Labor Act years he was not legally obligated to do so, he recognized the brotherhoods as legitimate bargaining agents for their respective crafts, and he sat down to negotiate. He met with union representatives and listened to their demands. He countered with an explanation of the B&O’s limited resources, in light of the capital improvement program about to begin. The union men persisted, so Willard suggested mediation. The brotherhoods gave their assent, and the issue was turned over to Martin W. Knapp, of the Commerce Court, and Charles P. Neill, of the U.S. Labor Commission. Their efforts were successful: B&O conductors and trainmen received a wage increase, but one smaller than they had sought originally. The B&O settlement set the pattern for subsequent wage scale increases on most other eastern railroads. Willard’s approach—firm about meeting the needs of his company, yet understanding of the needs of his employees—was noted positively by union leaders, and his credibility with organized labor grew markedly.28

Establishing his credibility with blue-collar union men was not Willard’s only personnel concern, of course, as he began his presidency. He could not direct an extensive rebuilding of the railroad alone; he needed the dedicated efforts of his middle- and upper-level managers as well. To spur their dedication, to improve morale, and to begin to build a sense of common purpose among them, Willard in the summer of 1910 arranged an operating management retreat. Held at the resort hotel in Deer Park, Maryland, near the summit of the Alleghenies on the B&O’s St. Louis mainline, the conference was attended principally by officers of the operating department. Working sessions were devoted primarily to discussion of Willard’s policies and plans for the railroad and to reports of initial progress thereon.29

The Deer Park retreat evidently was a success, but it was not repeated until September 1913. Under the direction of Arthur Thompson, the gathering then was substantially expanded to include managers in all departments that reported to him (operating, transportation, engineering, and mechanical). Attendance was approximately 250. The conference lasted two full days. Formal
working sessions were held in the mornings; afternoons and evenings were left open for informal discussions and recreation. Willard delivered a lengthy and mostly extemporaneous opening address; in it, he alluded to the lack of unity that he had found to be characteristic of B&O management in the years back to his first association with the company in 1899:

I found one thing much in evidence here that I never found to the same extent on any other railroad. I found Cowen men, Murray men, Underwood men, Fitzgerald men, etc., but there was not much said about Baltimore & Ohio men. There were too many different cliques among the men in the Baltimore & Ohio service. That is why, today, I appoint you all, Assistants to the President, and by doing so I wish to wipe out or supersede every other allegiance you may have. You are all Baltimore & Ohio men, not Thompson men, or Galloway men, or Bankard men, or Willard men, but Baltimore & Ohio men. So far as I am concerned, every man in this room is my man and is on my staff, and every officer of this railroad is my officer. If he was accepted before I came here, I accepted him when I came, and if he had been appointed since I came here, his appointment had my approval. Every officer and employe of this Company is my man today, and all are Baltimore & Ohio employes, whatever else they may be. Let us try to operate this railroad and carry on its affairs in such a way that we would prefer to have it said that we are of the Baltimore & Ohio rather than Smith, Jones, or Brown men. We should all be proud of our connection with the Baltimore & Ohio Railroad.

Insufficient unity and loyalty among management were not Willard’s only personnel concerns. In the same address, he devoted even more time to a discussion of difficulties in the blue-collar ranks. He noted that in the past, the B&O might not have been very scrupulous in its honoring of contracts with its employees; those days, he said, had better be over. Contracts would be made as satisfactory as possible both to the company and to the employees, and then the company would honor them uniformly and rigorously. Only under those circumstances was the company “entitled to the honest, intelligent, and loyal service of our employes.” He touched upon the matter of discipline, stating firmly that it must be both strict and fair. That subject led him to reiterate his stand against “union bashing”:

It has been contended by some that the labor organization has destroyed discipline. I have never been willing to admit that. I believe that labor organizations sometimes mistakenly press matters too far. They seek to get men reinstated, for instance, who have been discharged for cause, and they press matters so hard that officers sometimes yield against their better judgment. Practices are allowed to go on that should not be permitted for a moment. For that reason I admit that the labor union at times makes it more difficult to preserve discipline. But it
does not make it impossible. I have no sympathy with the officer who says "I cannot maintain discipline because of the labor unions."  

Willard went on to discuss the importance of discipline to safe operation, arguing that the B&O's unionized operating employees generally would accept tight discipline when lives depended upon it. The remainder of his address—indeed, the preponderance of it—was devoted to matters of operating efficiency, cost control, general finances, regulation, customer relations, and so forth. However brief his comments on personnel issues may have been, they do provide a measure of Willard's thoughts on such matters at age fifty-two, in the fourth year of his thirty-one-year presidency.

How did his subordinates react to all of this? What were their personal estimations of their new president? Firsthand impressions are difficult to find, but two published reactions reveal something of the opinions held by those whom he struck favorably. The first of these was written by a staff correspondent for *The Baltimore & Ohio Employees Magazine* assigned to cover the 1913 Deer Park conference. It must be interpreted cautiously, as the correspondent, unprotected by any union contract, surely was aware that he was describing to the entire company the person who signed his paycheck. Nonetheless, the following impression of Willard's address, purged of the most blatant sycophancy, is of some value:

> with engaging smile . . . of medium stature, spare and wiry, straight as an arrow and poised, it is perhaps in the flash of his wide-seeing eyes that we get best the physical revelation of the mind and soul beneath.

> With nervous energy balanced by deliberate judgment, with the clearness of the logician minus the verbiage of the pedant, with the orderliness of procedure peculiar to the seasoned debater, with sharp enunciation and penetrating but well-modulated voice, President Willard's profound mind reveals itself in words of one syllable. The opposite of oratorical in his style, his gestures few but telling, his command of language large and of uncommon clarity, with the exactness of a great lawyer and the vision of a prophet, he carried those two hundred and fifty hard thinking, practical, and experienced railroad men for the better part of two hours by the sheer strength of his intellect and the earnestness of his appeal.  

The second reaction, written by a fireman working at Riverside Yard in Baltimore, was printed in one of the company's safety bulletins during the fall of 1912. It is less elaborately descriptive than the preceding statement, but it is also probably more reliable, insofar as a blue-collar worker protected by contractual seniority rights almost certainly would not be fired for what he said about the president. In response to Willard's talk to the assembled River-
side employees on the subject of safety, the fireman wrote of the impact of Willard's presence and persona upon the development of loyalty to the company: "and it was just such a meeting as was held when Mr. Willard, through his earnest and sincere appeal directly to the men concerned, created a sentiment which will materialize in a concrete form when occasion requires. How much more that spirit of loyalty would expand were it possible for him to make such appeals more frequently, and thus give the thousands of Baltimore and Ohio employees the pleasure of meeting him personally, is beyond imagination." 34 Even here, the rhetoric may seem overblown, but it still may well reflect the way that Willard affected people. Surely there was some grumbling and cynicism among some B&O employees, but generally it would appear that "Uncle Dan" was off to a good start with them.

So what, aside from rebuilding the railroad, recognizing national labor unions, and making at least a modestly inspiring personal impression, did Daniel Willard actually do for his employees during the early years of his presidency? Wages and salaries, although above national manufacturing and agricultural averages, were essentially commensurate with those of other eastern trunk lines: there was no great financial advantage to working for the B&O. The actions or approaches described above involved intangible rewards: pride in the railroad, and a sense of acceptance and belonging and individual worth, however hard-nosed.

Those rewards were not completely new to the B&O. Toward the end of the presidency of John W. Garrett (1858–1884), the company was characterized by a certain iron-fisted paternalism; the relief (hospitalization and death benefits), savings, and pension features of the Relief Department dated from 1880, 1882, and 1884, respectively. Perhaps from this, in the context of the ingrown management of the B&O during the balance of the century, grew the first sense of "family" among B&O employees. Whatever the cause, in the years before Pennsylvania Railroad control, some employees believed that the B&O "was in reality a great big family." 35 An attempt to recreate some of that sense led to the founding of the B&O Veteran Employes Association, for any employee with twenty-one (later, twenty) or more years of service, in 1908. Pride and mutual commitment were remembered and valued, at least by some older workers. Hence, Willard had a base upon which to build loyalty to the company through such intangible means.

Pride in the railroad and a sense of family commitment were the rewards that he sought to provide. Before he was to relinquish the management of the railroad to the federal government temporarily during World War I, Willard and his management team added two new benefits to the pride-and-sense-of-family package: the company magazine and the Welfare Bureau.
Publication of the *Baltimore & Ohio Employes Magazine* commenced in October 1912. It was not the first railroad employees' magazine, but it was a very good one: carefully edited, professional in its layout, varied and interesting in its content, and friendly and upbeat in its tone. Its purpose and perspective were clear: in a congratulatory letter, the editors of *Santa Fe Employes' Magazine* welcomed it as a "new exponent of non-factionalism and the brotherhood of man . . . a publication of good fellowship and fraternity."  

The first issue contained the following:

Page 1: a photograph of the B&O Shenandoah Valley line and a poem, "The Way Home," by the editor

Pages 2–3: "From Stage Coach to Passenger Train," an interview of Judge Gephart of Cumberland, Maryland

Pages 4–5: an article on "Train Handling: Practical Hints on Starting and Stopping without Shock," by O. C. Cavins (B&O engineer, Ohio Division)


Page 6: "Men I Wish I Had Known: Robert E. Lee," by the editor

Page 7: a commendation of a heroic employee by Daniel Willard and a recounting of the incident that prompted it

Page 8: "Handling the Public," by D. M. Fisher (B&O freight agent, Washington, D.C.)

Page 9: "Caboosetalk," a continuing series of brief railroad vignettes, by the editorial staff

Page 10 (top): a poem, "The Night Train for Pittsburgh," by Folger McKinsey (from the *Baltimore Sun*)

Pages 10–11: news of the Veteran Employes Association

Pages 12–13: an article on safety of operation

Page 13 (bottom): an article on facilitating office paper flow, by G. B. Clifton (B&O supervisor of office service)

Pages 14–15: The Editor's Turntable, editorials on matters pertinent to the company and the railroad industry

Pages 16–18: The Home, topics of interest to the families of B&O employees:

—"The Night Before," a vignette on coping with busy home life, by the wife of a B&O employee

—"Mrs. Murphy's Baby," a vignette from the *New York Evening Mail*

—a jelly recipe

—"Tearless Tragedies," a poem

Pages 19–21: a summary and analysis of recent accidents and rules violations on the B&O

Pages 22–40: "Among Ourselves," reports by division correspondents on activities on their divisions (for example, the New York Division correspondent W. B. Biggs, agent in New York City, reported the names of the divisional safety committee men and sixteen bits of local company news, such as
“Cashier F. L. Bausmith has fully recovered the use of his ankle, which was badly sprained in the three-legged race at the Second Annual Outing of the B&O and S.I.R.T. [Staten Island Rapid Transit, a B&O subsidiary] clerks some weeks ago at Grant City, S.I.” 37

Parenthetically, it should be noted that the last item contains references to two important developments on the B&O in the early teens: employee social outings and the Safety Campaign. Again, there was nothing original here; other railroads acted similarly. Nonetheless, both developments were related to the growing sense of community on the B&O. Employee social gatherings apparently grew spontaneously during the first years of Willard’s presidency, presumably with the full approval if not the organized encouragement of top management. The Safety Campaign, with its general and divisional safety committees and formal bulletins, was much more intentional. When Willard joined the B&O, the company, like most railroads, had a deplorable employee safety record: dozens of crewmen were killed and thousands were injured every year. As a former crewman, Willard was concerned about this matter and said so. In response, under the direction of Arthur Thompson, in October 1911 the safety committees were created, and the campaign to reduce the carnage was begun. The B&O was the first railroad in the East to undertake such a campaign. 38

One of the early suggestions to arise from the safety committee structure was the creation of the employees’ magazine; the safety bulletins by themselves were too narrow in focus to encourage broad readership. Accordingly, the contents of the first issue of the magazine were fairly typical of early issues in that they included two safety-related articles; the average number of safety articles and reminders in the first eighteen issues was over two and a half. After mid-1914, the point apparently having been made, such articles decreased, to be replaced primarily by articles of a “what’s happening around the railroad” sort. There also was a decline in the number of general literary pieces printed and an increase in the percentage of articles written by management and the magazine editorial staff. The general tone of the magazine, however, did not really change.

The employee magazine, the outings, and the Safety Campaign were pieces of a pattern of management that was of considerable interest to progressive companies of the day. This pattern was that of the “employee welfare” movement, also known as welfare capitalism or “welfare work.” A humanistic movement with liberal Judeo-Christian roots, welfare work had as its goal the full development of the individual and collective human potential
(nothing less than that) of a firm’s employees through disciplined, energetic, socially oriented clean living. Its origins were traceable to the first paternalistic and philanthropic efforts of the earliest factory owners. By the last quarter of the nineteenth century, though not yet an organized movement, such efforts had become institutionalized at a number of American firms. Companies such as H. J. Heinz, Pullman, and Willimantic Linen boasted extensive employee benefit programs, designed to improve worker well-being both as an end in itself and as a means to greater productivity and profit. Program details differed from firm to firm, but company-sponsored libraries, social events, and recreational and educational opportunities were common elements.39

After the turn of the century, welfare work became more and more clearly a coherent and organized movement. With firms such as Filene’s of Boston and the National Cash Register Company leading the way, the National Civic Federation formed a Welfare Department in 1904, to serve as a clearinghouse for information on successful employee welfare practices. By 1911 roughly five hundred companies were members. The programs of the most enthusiastic companies, often directed by a full-time “welfare secretary,” were elaborate and comprehensive. The movement, however, did not really become dominant or pervasive; participating firms tended to be those with high percentages of women employees, and a majority of them stopped short of adopting a full program. Only forty companies (none of them a railroad) have been clearly identified as having had extensive and firmly established welfare plans between 1905 and 1915.40 Still, along with the more technical “scientific management” movement, welfare work was at the center of progressive management thinking during the years leading up to America’s entry into World War I.

Willard, by then an active member of the aggressively liberal First Unitarian Church of Baltimore, could not help but be attracted by the philosophy and promise of the welfare movement; it offered physical and spiritual benefits to the individual, social benefits to the community, and economic benefits to the Baltimore & Ohio Railroad. Some of the activities on the movement’s agenda already were taking place on the B&O: company social gatherings and athletic events, for example. Hence, in May 1916, the company formally established a Welfare Bureau. The bureau’s director was Dr. E. M. Parlett, a company physician who had been active in the temperance movement. John T. Broderick, supervisor of Special Bureaus and Parlett’s immediate superior, in explaining the program to a conference of B&O surgeons, stated that B&O management “desires that its employes and their families shall partake of all the blessings which a wise Creator intended for them.” That would
be possible only through "well regulated, orderly, rational living," which would be characterized by "industry, diligence, sobriety, and thrift," which in turn implied the constructive use of leisure time.41

To ensure that its employees used their leisure well, the B&O through its Welfare Bureau embarked upon a wide-ranging expansion of off-the-job company-sponsored activities. These activities fell into four general categories: athletics, performing arts, intellectual and educational pursuits, and social outings.

Of these four, athletic programs were most extensively developed and most broadly successful, not surprisingly given that the majority of B&O employees were both male and modestly educated. Baseball was the most popular sport; local teams had been spontaneously organized on some B&O divisions as early as the spring of 1912. With the inauguration of the Welfare Bureau, a fairly elaborate network of teams and local leagues was set up all across the system. At Staten Island, for example, twelve teams were organized to play a ninety-nine-game schedule that first summer. The best team on each division played other divisional representatives for regional championships; the final championship game, for the Arthur Thompson Challenge Cup, was played on the Homewood Grounds diamond in Baltimore on Labor Day (the 1916 championship, between the Ohio Division and the Philadelphia Division, was won by the Philadelphia team). For the winter, a similar if not quite so extensive set of bowling leagues was established in November 1916; the first team trophy was won by a group of Transportation Department staff members working in Baltimore. A trapshooting club for Baltimore-area employees was established that same winter.42

Performing arts activities organized under the auspices of the Welfare Bureau were mostly musical and nearly all located on the eastern half of the railroad, with particular concentration in Baltimore. Of these, the Men's Glee Club was the first, actually antedating the Welfare Bureau by a year and a half. Its first major performance was given in January 1915, at the dinner meeting of the Baltimore chapter of the B&O Veterans' Association. The club had fifty-four members, from a wide variety of departments and levels at various Baltimore-area installations, when it gave its first (later annual) concert and dance in April 1915, attended by over one thousand employees and guests. With the advent of the Welfare Bureau a year later, new groups were added to this nucleus. In June 1916, the Mount Clare Band was organized at the Mount Clare Shops in Baltimore, at the instigation of its superintendent, a welfare movement disciple. Directed by a machinist named H. H. Freeman and composed of approximately thirty men, mostly skilled laborers and clerical workers, the band performed at the shops every Friday lunch hour. The band also did some traveling; for instance, in August 1916 they played for the
joint outing of the Baltimore and Martinsburg chapters of the Veterans’ Association held at Berkeley Springs, West Virginia. The success of the Mount Clare Band was followed in September 1916 by the establishment of the Baltimore & Ohio Orchestra; like the Glee Club, it rehearsed at the Central YMCA in Baltimore. Presumably because of the smaller numbers of employees at other locations on the B&O system, the Welfare Bureau did not succeed in replicating such organizations all across the railroad; still, by the summer of 1918, glee clubs had been started in the New York area, at Pittsburgh (Glenwood), and at Cumberland, Maryland.\textsuperscript{43}

In October 1916, the performing arts wing of the welfare movement began its most ambitious undertaking: the formation of the Baltimore & Ohio Opera Club, for the purpose of staging Gilbert and Sullivan’s \textit{H.M.S. Pinafore}. The B&O Orchestra was in the orchestra pit, and the principals and chorus were drawn from the Glee Club and the Bando Club, the latter a recently formed social organization of the B&O’s female employees. One hundred fifty employees participated, and over three thousand employees and family members attended the three performances, two in Baltimore and one in Cumberland. The club followed up its minor amateur triumph with performances of Gilbert and Sullivan’s \textit{The Mikado} in May 1917.\textsuperscript{44}

In the realm of improvement of the mind, the company sponsored three activities or programs: classes on general traffic and transportation problems, the debating club, and the employees’ library. The transportation classes were given primarily for traffic department employees, and were conducted intermittently in the larger cities around the system (for example, Baltimore in
April 1916, Chicago in March 1917). The Baltimore & Ohio Debating Society, centered among Baltimore-area employees, was formed in January 1917 with Welfare Bureau encouragement. The bureau had nothing to do with the founding or operation of the Baltimore & Ohio Employees’ Free Circulating Library; that institution, located at Mount Royal Station in Baltimore during the period in question, had been founded in 1885. The number of volumes available to employees and their families across the system (carried free of charge as company mail) stayed constant at fifteen thousand during the Welfare Bureau years, although it presumably was the bureau’s position that use of the library was encouraged, as it would foster the achievement of a dimension of the bureau’s purpose. Nothing else of note was done in this area; on balance, Parlett and B&O management seem not to have been greatly interested in the intellectual development of their railroaders.

In company social outings, they were more interested, as probably were their employees. Such gatherings more clearly fostered the sense of family that, as an objective, preceded the more cosmic goals of the welfare movement. Accordingly, they were a matter of higher priority to the Welfare Bureau. In a statement of aims published in the company magazine in October 1916, Parlett wrote that the primary purpose of the bureau was “to foster healthful recreation, athletics, and a closer intimacy and fellowship among employes and officials . . .”; he barely hinted at intellectual or educational goals. As a result, dinners, dances, picnics, and recreational outings were fairly numerous all over the railroad (although the western region was somewhat less active), especially during the summer of 1916 and the winter of 1917. As with other activities encouraged by the bureau, many individual events antedated its establishment, such as the New York clerks’ outing and the Baltimore-area Jennie Smith Picnic (named for a local evangelist with ties to the railroad). In other cases, such as the Martinsburg, West Virginia Veterans’ Association outings, events grew substantially in size and scope with the Welfare Bureau’s encouragement. In a third set of cases, new events were instituted. Often these were small, local family-oriented picnics that grew as offshoots of bureau-sponsored baseball games; in other instances, they were major events started from scratch, such as the entertainment and dance night of the Baltimore freight claims office and the dances sponsored by the Bando Club. Although there was no explosive proliferation of such events, the bureau obviously was successful in stimulating more company-oriented social activity.

Was Willard’s B&O different from other railroads in its embracing of welfare work? Probably it was, but the difference appears to have been one of degree. From present evidence, it may be argued that the B&O was the first
American railroad to adopt a thorough and comprehensive welfare program. The key words in that assertion, however, are "thorough and comprehensive." It is abundantly clear that other railroads were at least dabbling in some aspects of welfare work well before the B&O's May 1916 establishment of the Welfare Bureau.

Three welfare-oriented phenomena were fairly common across the industry by 1915: encouragement or partial subsidization of employee pension and disability insurance programs, encouragement of veteran employees' associations and their social activities, and cooperation with the national Young Men's Christian Association in the construction and operation of YMCAs on or near railroad property for employee use. In these matters, the B&O more or less ran with the pack. With respect to the first matter, through its Relief Department, the company had been a leader. However, regarding the railroad YMCA, the B&O's friendly attitude was simply typical of railroads around the country—in no way was it remarkable. In the matter of veterans' associations, the B&O was something of a laggard; the first chapter of the Pennsylvania's veterans' association was organized in 1886, twenty-two years before the B&O's association took shape.47

Neither was the B&O unique with respect to some other types of welfare activity. On the intellectual front, its efforts were at least matched, and probably bested, by the Santa Fe's network of reading rooms. Begun in earnest in 1898, the reading room program established small libraries and lounges at important division points (especially remote ones) around the Santa Fe system; regular individual reading opportunities were supplemented by Chautauqua-like programs of traveling lecturers and entertainment troupes. In the realm of social activity, the Southern Pacific (SP) began sponsoring employee clubs and clubhouses before 1910, and during the decade of the teens it expanded their activities substantially. Even the Great Northern (GN), under Hill management a road not noted for its concern for employee welfare, held annual half-day picnics on company time from the mid-1890s onward.48

More widespread among railroad work forces than broad social and intellectual activities were programs of athletics. This was so presumably for the same reason that athletics was dominant in the B&O's Welfare Bureau: the men liked sports without being told that they should. Typically, baseball was the favored game. By the summer of 1912, the Santa Fe had at least one baseball team at nearly all of its sizable installations. There was no general Santa Fe league or tournament; teams formed themselves and arranged their own schedules. Still, the best-organized teams played at least once a week from midspring through summer, and their activities were well covered by Santa Fe Employees' Magazine. On the Pennsylvania, baseball competition began in similarly ad hoc fashion in 1903, but by 1907, formal leagues were playing at
the two largest centers of PRR employment (Philadelphia and Altoona). In June 1915 the Pennsylvania established a systemwide baseball league; that summer, sixty-six teams competed for a cup to be awarded by the formidable W. W. Atterbury, the company’s vice president of operations. The league was a success, and it was expanded for the 1916 season. Its general format was copied that year by the Missouri, Kansas, & Texas (with the cooperation of Katy System YMCAs) and, of course, by the Welfare Bureau of the B&O.\textsuperscript{49}

Many aspects of welfare work, then, were practiced by the more managerially astute railroads before the nation’s entry into the world war. After the war, welfare programs resumed their expansion. During the 1920s the Southern Pacific had a band and a glee club in Sacramento, the Great Northern and the Louisville & Nashville (L&N) had extensive sports programs, and the Norfolk & Western (N&W) began sponsoring annual social outings. In addition, employee stock ownership plans (considered to contribute both intellectual and economic benefits, promoting an understanding of the functioning of the corporation and loyalty thereto, as well as dividends and long-run capital gains) were operating on the SP, the GN, and the PRR.\textsuperscript{50} Nearly every American railroad of any size, solvency, and sophistication could point to at least a small something that it had done that qualified as an element of welfare work, and some railroads did quite a lot.

How, then, can one defend the assertion that the B&O’s position in the welfare movement was special? Clearly Willard’s efforts on his own road were superior to those of the L&N, the N&W, and other hard-nosed roads such as the Burlington. But what about the Santa Fe, the SP, and the Pennsylvania? Here the differences lie in the details. The Santa Fe’s program did not encompass quite so many program elements as did the B&O’s, and that of the Southern Pacific, although comprehensive, was not fully developed until after the B&O program was up and running. As for the PRR’s welfare activities, they were different, and possibly deficient, on three counts. First, they appear to have been somewhat less comprehensive. The Pennsylvania had a superior sports program, but intellectual and artistic activities were relatively sparse. Second, much of the PRR program was administered through or in cooperation with quasiexternal organizational units: the PRRYMCA and the Mutual Beneficial Association of Pennsylvania Railroad Employees, Inc. (MBA), the latter formed in 1913. The system baseball league, for example, was organized at the top by company officials, promoted and reported by the MBA’s \textit{Mutual Magazine} (there was no company magazine), and most often scheduled to play on YMCA fields. The employee stock ownership plan was handled by the MBA, as were most social activities. By 1916 the MBA was the focal point of PRR welfare measures, yet the company held it at arm’s length. The association received a small subsidy in the form of free office
space and advice from management, but unlike the Welfare Bureau, it had no full-time director or staff on the company payroll; staff members were compensated through voluntary dues from individual employees.61

The likely reason for this arrangement lies in the third count by which the PRR and B&O programs differed: motives. The official story was that the Mutual Beneficial Association resulted from the insistent argument of a Philadelphia-area conductor that PRR employees and management were becoming estranged, and that an intermediary employees' organization was needed to restore communication and understanding between them. In fact, according to the memoirs of Mutual Magazine's first editor, Pennsylvania management—W. W. Atterbury specifically—already had decided to form such an organization before the conductor's nicely staged visit to company headquarters to present his argument. Atterbury's motive was clear to the disingenuous observer: he wished to preempt the national labor unions. "Outside" unions were troublesome interlopers, in his view; although the train-and-engine-crew brotherhoods were already established on the PRR, it was his intent both to prevent them from expanding their influence and to render other unions ineffectual.62 Interest in an employee association might displace worker interest in the less tractable national unions. The welfare measures of the MBA thus may be seen as essentially manipulative: more as efforts to maintain control of employees than as attempts to develop them as whole and productive persons.

On the other hand, the B&O's motives in establishing the Welfare Bureau, although certainly not purely philanthropic, were not seriously tainted by any desire for union prevention. Both in public and in private, Daniel Willard by this time had made clear his willingness to deal congenially with the national unions. Workers had legitimate interests, he believed, and those interests might be served either by existing unions or by forces that could be truly destructive. In 1913, the same year that the MBA was formed, Willard stated in a letter to Seth Low of the National Civic Federation, "It is infinitely better . . . for us to try to maintain satisfactory or amicable relations with the labor unions, than to do anything which might discourage their growth and result in greater activity on the part of the Socialists. . . ."63 Willard's acceptance of unions and empathy with their members were given quiet expression by his custom of asking labor leaders to dine with him, on the road in his private business car or in his hotel suite, or at home in his unostentatious house in the Roland Park neighborhood of Baltimore. Among most of his peers, such small gestures of respect and hospitality toward union men were regarded as inappropriate.64 Even more irritating to some of his fellow railroad presidents, though, was his conciliatory approach to the eight-hour-day controversy.

During the summer of 1916, the operating brotherhoods made a deter-
mined push to reduce the standard workday from ten to eight hours. Railroad management as a group resisted the demand vigorously, and a nation-crippling strike was imminent. To avert a strike, Congress in September passed legislation submitted by William Adamson of Georgia mandating the eight-hour day. President Wilson signed the Adamson Act, but the railroad industry immediately challenged its constitutionality. By March 1917 the issue had come before the Supreme Court, but no decision had been rendered. The law was in limbo, and again a strike was threatened.\footnote{55}

Willard, meanwhile, had not been so adamant in opposing the act as his peers. His initial reaction to the controversy was to propose a compromise at nine hours, but he was rebuffed by both sides. At congressional hearings, pulled both by his sympathy for the principle and his sense of obligation as chairman of the industrial advisory commission of Wilson’s Council of National Defense, he testified in favor of the eight-hour legislation. As he did not wish to place the B&O at a labor cost disadvantage relative to its competitors, he did not break industry ranks and negotiate an eight-hour contract on his own, but he continued to lobby his fellows for moderation. When the court-delay-prompted strike threat arose, he directly assumed the role of mediator, in lengthy eleventh-hour meetings trying to convince the union leadership not to strike before the Supreme Court handed down its decision and to persuade railroad executives to bow to the inevitable. He was successful; there was no strike. The Supreme Court upheld the Adamson Act, and the eight-hour day became standard.\footnote{56}

The role that Willard played in this matter did not endear him to many of his fellow chief executives, but it did increase the trust with which he was viewed by the leaders of organized labor. Certainly it should have removed any suspicion that his Welfare Bureau had nothing to do with undercutting the unions. Willard, of course, was interested in the welfare of his company as well as that of his workers, but his motives in promoting welfare work surely came closer to being right-spirited than did W. W. Atterbury’s.

During this period Willard’s inclination toward progressive management practices manifested itself in another way, one that from a certain perspective appeared to run counter to his approach to welfare work and labor unions. He decided to take a look at the promised benefits of “scientific management.” Scientific management, cold and technical in comparison to the welfare movement, had as its goal the maximization of work efficiency and general productivity. Delineated around the turn of the century by Frederick W. Taylor, its principal tools were such things as time and motion study, detailed record keeping, and cost analysis. It was generally opposed by organized labor; union leaders considered it to be basically a speedup technique, forcing work-
ers to work harder and faster without commensurate wage increases. Willard himself was initially skeptical of scientific management. It had been used as a stick with which he and other railroad executives had been beaten for their alleged lack of efficiency (by shippers’ attorney Louis Brandeis and his expert witness, engineer Harrington Emerson) at the 1910 Interstate Commerce Commission (ICC) rate increase hearings. Even so, in May 1914, the B&O, through operations vice president Arthur Thompson, retained the services of a scientific management consulting firm—the firm of Harrington Emerson, no less.

Emerson was an efficiency engineer of modest ability and a self-promoter without peer. Although he was certainly not incompetent in the matters that his firm addressed, his primary professional talents were securing contracts and hiring capable technical people to carry out the actual work. He and his colleagues were responsible for the principal prior application of scientific management among American railroads, the reorganization of the chaotic and technologically obsolescent Topeka shops of the Santa Fe between 1904 and 1907.

The Emerson Company’s work on the B&O consisted of a thorough investigation of all phases of the road’s operation, and of the development of a set of recommendations for remedial action. By the end of 1916, critiques and suggestions had been offered with respect to shop work methods, shop scheduling, shop machinery and tools, locomotive fuel efficiency, parts and materials inventory control, train schedules, locomotive utilization, hiring policies, refrigeration of perishables, maintenance of way piecework standards, cross-tie conditions, car painting, record keeping, and cost accounting. In all of this, Emerson’s people evidently produced mixed results. Some of their labors clearly bore fruit. In the area of fuel efficiency, for example, the consultants developed an explicit and detailed set of recommendations for proper fueling, firing, and handling of locomotives; these recommendations then were passed on to employees through local meetings and the company magazine. Attributed savings in 1916 were over $1.4 million. In other areas, though, results were not so good. The consultants’ shop work methods suggestions, for example, apparently were met with considerable resistance by both workers and foremen, and the B&O denied Emerson’s request to put his own people into the shops full time “to supervise the application of these plans until the regular employees have also mastered their application.”

Consultant-imposed scientific management thus being demonstrated to be no panacea, Willard and his executive team backed away from it. It was not really compatible with the Willard style: outsiders with stopwatches did nothing to further the B&O family spirit. Still, although Willard lost interest in the method of scientific management, he maintained his enthusiasm for its basic
goal of operating efficiency. He shied away from those of its techniques that threatened to disrupt employee relations, but he adopted many that did not, and he kept his eyes open for alternate means to deal with the more sensitive problem areas identified by the Emerson consultants. One of those areas was shop efficiency. That problem was addressed in more characteristically Willardian manner by the 1923 Cooperative Plan, the subject of the next chapter.  

While scientific management was waxing and waning on the B&O, a similar if somewhat less negative cycle was becoming discernible in the welfare program. After a great burst of activity during the Welfare Bureau’s first year, the program began to lose some of its vitality. Parlett may not have been the right man for the job. He was, after all, a physician; judging from the articles that he had published in *Baltimore & Ohio Employes Magazine* in 1917 and 1918, he was far more interested in hygiene and general health than in picnics, operas, or bowling. He apparently left the service of the B&O early in 1919.

The formal entry of the United States into World War I in April 1917 was an even more important factor in the weakening of the program. As many of the railroad’s younger employees joined the armed forces (just under seven thousand, of roughly sixty thousand total employees in 1916), to be replaced by women and older men, the pool of interested potential participants in some of the bureau’s activities shrank. By the summer of 1918, some of the smaller points on the B&O were no longer fielding their own baseball teams, and the Glee Club was down from sixty to twenty-one members. Moreover, there had been a loss at the top of the hierarchy as well as in middle and lower ranks. Pursuant to President Wilson’s invoking his wartime powers to take over and to operate the national transportation system, the federal government assumed control of the B&O and the nation’s other railroads on December 28, 1917. Daniel Willard remained as president of the Baltimore & Ohio Railroad Company, but the company no longer controlled the railroad; the United States Railway Administration (USRA) did. Willard remained active in the industry as chairman of the industrial advisory commission of the Council of National Defense, and he retained some de facto influence over the railroad, but he was no longer in charge of operations.

Two of Willard’s top subordinates, Arthur Thompson and Charles W. Galloway, were named federal managers of the B&O eastern and western regions, respectively, in June 1918. Although their appointments signaled continuity as well as change, the whole notion of federal takeover was managerially unsettling. Some parties, notably agricultural interests and the national rail unions, saw it as a test of or step toward some eventual form of railroad nationalization. This threat diminished somewhat as the USRA—under both its initial director-general William Gibbs McAdoo, formerly President Wilson’s Treasury secretary, and under his successor, former Santa Fe board
chairman Walker D. Hines—proved to be fairly sympathetic to traditional railroad corporate viewpoints. Thompson and Galloway, like other B&O people, understood that if they stayed on that property, they almost certainly would work for Willard again when the war and its aftermath were past. But for the time being, they took their orders from the USRA.65

Any sense of disorientation that may have resulted from all of this probably diminished in proportion to one’s distance from Baltimore and lowliness of status in the railroad hierarchy, but it still had an impact. As the months passed, the Welfare Bureau became nearly invisible. In the summer of 1919, there were local B&O baseball teams, but there was no systemwide championship. The opera club disappeared, as did the bowling league. In general, it appears that some momentum was lost from Willard’s efforts to shape the B&O into a cohesive unit. The railroad was not returned to his control until March 1920.

The war ended the first phase of Daniel Willard’s stewardship of the Baltimore & Ohio. The period from mid-1918 through 1922 was not so positive and upward in its thrust as the first period. During the war, the heavy utilization of the property, coupled with inadequate maintenance, wore down the railroad physically; in March 1920 it was in poor shape. In addition, major wage increases and work-rule changes granted by the McAdoo regime had saddled the B&O (and all other railroads) with greatly increased labor costs and a larger and somewhat self-satisfied work force. Willard spent nearly all of his energies during the first three years after his resumption of leadership simply returning the company to where it was in 1917.66

In one sense, though, the war had a positive impact: it opened up to women positions on the railroad that previously had been staffed exclusively by men. Neither the B&O nor railroads in general were unique in this respect, of course; necessity arising from the lack of available men made equal opportunity employers (at least at certain levels) of many companies. However, perhaps more than some other firms, the B&O accepted female newcomers graciously. The B&O had employed women since 1855, but almost exclusively in clerical positions; as the wartime labor shortage increased, such limitations were removed. Willard was not the least interested in seriously changing traditional gender roles, but equally he was not at all disturbed by a broader definition of “women’s work.” At the Deer Park management retreat in June 1917, two months after the declaration of war and a year before his exile, he stated:

There are, no doubt, many places in the railroad service where the work is of such a nature that it can be done by women equally as well, and in some cases perhaps better, than by men, and owing to the great demand for manual labor,
due to conditions created by the war, there is no reason why women cannot or should not perform work of that character. I simply urge that when they are so employed by the Baltimore & Ohio Company, they be treated at all times with the respect properly due them, and they should not be permitted to attempt to do work for which they are physically unfit.67

Accordingly, no women were hired to shovel ballast, or to hand-fire a steam locomotive, or to lay rail—but they were hired as crew dispatchers, and as drill press operators, and as station agents. Many more replaced male clerks.

By all surviving indications, they performed very well. If the company magazine was an accurate reflection of the reaction of B&O men to their new colleagues, they were accepted with something between respectful appreciation and bemused tolerance. Most articles on the newly hired, transferred, or promoted women were straightforward and enthusiastic, but one was revealingly ambivalent: in a feature story on the Ladies’ Rifle Club, organized at B&O division offices in Cumberland in January 1918, a photograph of Elizabeth McNeill’s nicely punctured target paper (thirteen of fifteen shots within the circle) was displayed on the same page as a cartoon that depicted club members throwing down their rifles and standing on chairs to escape a mouse. However capable they may have been, when the war ended, most of them—but not all of those in white-collar positions—were replaced by the men whose jobs they had filled. Like the rest of the country, the B&O in 1920 sought a return to normalcy.68

The Welfare Bureau, having been absorbed into a combined Safety and Welfare Department during federal control, reemerged as the Welfare Department, with W. W. Wood as superintendent. Activities rebounded from their moderately depressed state. A full baseball schedule was played in the summer of 1920, with local leagues playing in May and June, then sending their champions to play in the System Leagues in July and August; the two regional winners met to decide the system championship on Labor Day (the Baltimore Division defeated the Ohio Division, 3-0). Musical activities increased: the B&O Orchestra and Opera Club were not revived, but the Glee Club regained most of its former strength, and the Mount Clare Band came to be rivaled by similar groups across the railroad, the Cumberland Shops Band in particular.69

The greatest expansion came in the realm of social activity, often sponsored by recently formed local B&O welfare leagues or associations. In February 1921, for example, the Welfare League of Akron hosted their counterparts from Cleveland at an entertainment and dance at the local armory; the company suspended certain operations to ensure high attendance. New chapters of the Veterans’ Association were formed, as were Ladies’ Auxiliaries, especially in the western region, where they had been sparse. During the
spring and summer of 1921, a large number of "first annual" social events were held, again often with company support. Perhaps the most impressive of these was the first annual Cincinnati Terminals outing in August, held at Chester Park. Attendance was approximately thirty-five hundred, as employees were granted a half day off work; only operating employees whose jobs were scheduled during the picnic hours were unable to attend. The events of the afternoon included a popularity contest, egg and peanut rolling contests, hop-skip-and-jump contests, sprints, marksmanship contests (all of the preceding with separate men's and women's divisions), sack races, a fat man's race (won by the visiting superintendent of the Ohio Division at Chillicothe), and a baby beauty contest. Attendance of white-collar workers seems to have been somewhat higher than that of blue-collar workers, but most levels of the company were represented fairly well.70

The large, family-oriented social outing apparently had such widespread success that it came to supplant athletics as the top priority of the Welfare Department. During the winter of 1920–1921, a weak attempt at reviving a systemwide bowling league fizzled and was cut back to the Baltimore area. During the summers of 1921 and 1922, while local baseball teams continued to play each other, there was no System League. However, B&O social events generally continued, in many cases growing in size and in scope.71

All of these activities went on despite a national railroad labor situation
that was not especially good in 1921 and 1922. The postwar recession cut railroad traffic substantially, and railroad employment went down with it; the B&O's total number of employees fell from seventy-two thousand in March 1920 to fifty-nine thousand a year later. Then in the summer of 1922 came the shop crafts strike. The strike on the B&O lasted for two and a half months, an experience not likely to enhance company camaraderie. It was, however, the impetus for Willard and the B&O to transcend that which might be called the mature paternalism of the welfare movement. Many of the pieces were already on hand for the formal adoption of "cooperative management": a genuine concern for the dignity of the worker, a sense of company as family, recognition of the unions, and some tentative experience with local meetings among labor, staff, and management. The strike was the catalyst that brought them all together and led to the establishment of the Baltimore & Ohio Railroad Cooperative Plan.