

The basis behind this entire project was not to have it be just a history of the Reading Railroad. It was rather to be a story about the rise and fall of an icon in the community I live in. It was to be an in-depth look into how globalization not only forces job loss but it also redefines how a community works. The effects of losing the Reading Railroad most certainly go far beyond this paper. There is more to this story than just the few years that are covered here. The hope is to give the reader the sense of the chasm that was left not just in Reading's economy but also its people. The railroad was the city and the city was the railroad, when the railroad died the city in some ways died with it. This paper merely will give the reader an opportunity to form their own opinions on globalization, when it come to the topic of the Reading Railroad. Some may say the railroad was a dinosaur and it served its purpose, and then faded into history. Others may say the Reading was unjustly destroyed but a new global economy that it could not control. These are the issues that will be explored by traveling through several key points in the history of the Reading Company.

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Chapter 1- Introduction

A: Purpose:

1. The purpose of this paper is to review materials which pertain to the Reading Railroad and globalization
2. The founding of the Reading Railroad was based on the sweat and toil of immigrants. For the City of Reading to survive we must understand where and how we developed our former economic strength.

B: Project Set-up

Chapter 2: Review of Literature

- A. Review of articles pertaining to the Reading Railroad massacre
- B. Review of several articles pertaining to the Reading and the Great Depression Era.
- C. Review of items dealing with the war years and the Schuylkill Valley Metro.

Chapter 3: Design of Project

- A. To establish the economic dependency that both the railroad and the city shared.
- B. To take the history of the railroad and apply it to the economic globalization of today

Chapter 4: Summary and Conclusion

The establishment of why the Reading Railroad was so important and vital to the City of Reading.

Chapter 5: References:

(SEE WORKS SITED PAGE)

The impending crisis that our nation faces can best be described in the rise and fall of big business's in the communities we live in. For the most part the Twentieth Century was a time of an industrial boom for the United States. We had just risen from the dark clouds of two world wars as the most powerful nation on the face of the earth. The fruits of the industrial revolution had taken hold and the nation was in what could have been considered a Golden Era. The very backbone of all of this industrial might could be found in this nation's railroads. This was a time when the automobile was still not the dominant means of transportation, and most of America's population was located in the city. This was not to last for long by the end of the Second World War Americans began to leave the cities "The Great White Flight", and the new interstates gave the widely available automobile gave people the independence to move about freely. While commercial rail traffic began to decline, there was still the very lucrative shipping business, which the rail companies hung on to. Yet the writing was on the wall and by the 1970's many major steel corporations moved their operations overseas or closed up shop entirely. The following paper will follow the rise and fall of the Reading Railroad, a rail company ahead of its time. Through various means of research one will be able to formulate their own opinion of how this once mighty railroad empire fell into ruin. Was it caused by globalization, or was it some other set of reasons?

Acknowledgements:

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It was a pleasure to have the following individuals involved in the formation of this project. Without them this project would not have even been a possibility. They gave me the opportunity and the hope and the strength to believe in myself throughout this entire project.

Dr. Richardson
Political Science Department Faculty Kutztown University

Thomas M. McMahon
Mayor of the City of Reading

Virginia Hand
Executive Assistant to the Mayor

Jessica Ann Berkley
Biology / Education Major West Chester University

All of the people at the Reading Public Library's
Pennsylvania Room

All of the people at the Berks County Historical Society

Thanks to the Reading Railroad (1833-1976) for making our community a better place to live.

Reading Pennsylvania: The heartbeat of the Reading Railroad

George Fultz
Kutztown University
Senior Seminar Spring 2004

Research Project Prepared for:

Dr. Richardson

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Dr. Richardson

Senior Seminar Project

April 13, 2004

READING PENNSYLVANIA: THE HEART OF THE READING RAILROAD

Most people when they think about the Reading Railroad think of the piece on the Monopoly board. While they would be correct in think this the “Reading” was more than a piece of cardboard in a popular board game. It was a company that was born out of the Industrial Revolution. It was a company that was built on the very backs of the new immigrant labor that was pouring in during the first half of the last century. The Reading was a company that rose from the ashes of bankruptcy in it early existence, to become the wealthiest company in the world. The Reading not only built equipment for railroading, it also built and strengthened every community its trains ran through.

No community benefited more from the Reading Railroad than the city from which the railroad derived its name; Reading, Pennsylvania. Some may argue that Philadelphia was the brains of the Reading, due to the fact that the main headquarters were located there at the Grande Reading Terminal at 12th and Arch Streets. Then if Philadelphia was the brains of the Reading than the City of Reading was certainly the heart of the company. The City of Reading was home to the Reading Railroads massive car shops, which were and still are located on South 6th Street in Reading, Pennsylvania. The car shops are where most if not all of the pieces of railroading equipment were produced through out the Readings 143 year history.

The shops also served as a testing ground and laboratory which further helped the railroad to advance beyond its competitors. Whole city neighborhoods such as the sixth ward grew up and around the railroad car shops. The railroad employed thousands of the city's residents over the years; whole generations of families dedicated their lives to working for the railroad. While the work was difficult it was also highly desirable to be an employee of the Reading Railroad, an article in the Berks Historical Review stated "They paid the best wages to mechanics, and that naturally attracted the best men in the country to Reading, Pennsylvania". Some might think that this historical introduction is all well and good but how does the Reading Railroad relate to globalization? The answer to that very question can be found in the very early beginnings of the history of this company.

THE BUILDING OF A GIANT:

The Reading Railroad actually began as the Philadelphia & Reading Railroad-"P&R" in around 1833. The company was founded on the lucrative anthracite coal that was mined in Schuylkill County. These lumps of black gold were used to fuel the blast furnaces of the steel mills that were developing in Philadelphia. The Mission Statement of the P&R was "it was the utmost importance that the locomotive engines be constructed for this company be built with a view to the exclusive use of [Schuylkill Valley hard coal] as fuel". (1) This one statement assured that the City of Reading would be the heart of locomotive production due to its proximity to the coal regions of northwestern Pennsylvania. The P&R was really a global company before its time as they shipped and sold many goods to the world market on a regular basis.

Several of the P&R's operations included things such as shipbuilding, iron production, and coal mining; they even tried to build a rail line in Brazil for a brief stint. (1) By around 1870 the P&R; which served the most densely populated portion of the country, became the largest corporation in the world. Not enough can be said about the massive corporation that was the P&R, certainly it must be said that it was a truly globalized company before anyone had even uttered the word globalization. Yet I feel it important to note that the P&R later the Reading Railroad relied heavily on selling and shipping coal. This fact would not only lead to its rise in power, but also its ultimate down fall due to an even greater global economy of which the founders of the P&R could hardly imagine.

THE GREAT STRIKE:

Within seven years the P&R would face a major challenge to its supremacy with the outbreak of a national railroad strike. The "Great Strike" as it was know spread like wildfire across the major railheads of the United States. Places such as Baltimore, Pittsburgh, and Chicago would erupt in unspeakable violence that left many railroad yards nothing but smoldering ruins. This national railroad strike would soon gain momentum and spread its terror and violence to the small Pennsylvania town of Reading. During the hot July weather a storm began to gather in Reading, the events that were about to unfold would define the very future of the city as a railroading community.

It was during this national railroad strike that the president of the P&R laid off several thousand workers from the Reading Car Shops on 6th street, not to mention workers from the company owned mines in Schuylkill County. The ranks of the unemployed in the City of Reading began to swell with each new day. The unemployed also began to gain community support, the Reading Chief of Police estimated that “some two-thirds of the city seemed to sympathize with the men”. (1) The national tensions finally burst into full-scale riots in Baltimore, where 12 people were killed. (1) The next city to suffer major loss was Pittsburgh, where 26 were killed and the mob burned down the Pennsylvania Railroads terminal and roundhouse. (1) The riotous actions of these other rail cities found their way to headlines of the newspapers in the City of Reading. The local engineers union met and decided action needed to be taken against the P&R, acts of vandalism and arson occurred ultimately culminating in total disruption of rail service in and out of Reading.

THE DEFFING MOMENT:

The railroad was not about to stand by and allow this unruly mob disrupt the vital link between it and its coal fields in the north, the Pennsylvania Militia was called in by the P&R not by local officials. The militia was marched into the Seventh Street cut which consists of two major rail lines running through a cut surrounded by 30-foot walls in the heart of Reading. The troops entered the cut in an attempt to free an engine that had been hemmed in by the former railroad employees.

As the militia entered the cut they soon found themselves surrounded in a man made gauntlet, in addition they were surrounded on both sides by rioters. One can now only imagine the holy hell that rained down from above on the soldiers in the cut. Anything and everything that could be thrown at these men was, from rocks to chamber pots, I have even been told that two men were required to roll a bolder down on the troops. (1) It was not until shots were heard (old Fourth of July fireworks) from somewhere in the crowd that the soldiers opened fire into a crowd of people at the end of the cut. The ultimate death toll of this confrontation would be 10 of Reading's citizens.(1) The ultimate question that has been asked since that very day is why didn't the citizens of Reading turn on the railroads vital rail shops like in they had in Pittsburgh.

AFTERMATH:

The thinking on this matter is that the mob did not turn on the shop out of respect, due to the Reading Car shop put Reading on the map. As I stated before the railroad employed a large portion of the community as well as drawing in the best of the best from around the country. The car shops were also a place where a great deal of experimentation was done to help catapult Reading Pennsylvania on to the world stage. According to the Berks County Historical review of 1995, it was well know that just prior to the strike the Reading car shops had developed a means of burning coal wastes to produce propulsion of locomotive engines. This invention further solidified what the railroad meant to the community, the breakthroughs made the city a beacon of industrial might. If the Reading strikers had destroyed the shops and the stations in the city it is safe to say the railroad may have pulled out of the city.

The fact of the matter is both sides realized that they both needed and relied on one another. The actions and non-actions of the strikers solidified the loyalty of the city to the railroad and the railroad to the city. One of the darkest chapters in the cities history came to a close, all the while the cities of the northeast demanded even more coal to fuel the flames of industry.

THE READING COMPANY:

The ultimate formation of the Reading Railroad did not take place until around 1924, mostly in part because of the desire to break up monopolies. The Philadelphia and Reading Railroads parted ways due to a Supreme Court order, which forced the P&R to split. (1) It was on January 1, 1924 that the Reading Company emerged from the ashes of the old P&R. (1) A new era in railroading had begun not only for the Reading Company but also for the City of Reading. The coming years would see much turmoil in the forms of the Great Depression and World War II, yet it would be the determination and desire of the Reading Company and it Reading workers that would further cement already developing company and employee loyalties. Things such as company picnics and the new Reading Company Y.M.C.A would make for good public relations between the company and the city.

THE GREAT DEPRESSION:

The Great Depression of 1929 truly did serious damage to the financial standings of the Reading Company. Major layoffs began to occur along the many towns where the Reading Company had any influence. The City of Reading was no exception as it was not spared by the high unemployment and layoffs by the Reading Company.

Yet it was in Reading that something happened to somewhat ease the strain of the Depression. During a live broadcast last July on BCTV (Berks Community Television), the Reading Technical Company had a discussion on things that were done by the citizens of Reading and the railroad to keep people employed in the city. One home viewer called in and discussed how people who survived the layoffs at the 6th street car shops came up with a way to keep on some of the laid off employees. What some people did was to only work half a shift and let someone else work the other half. The idea was to have two people doing the job of one man; of course they would split the pay between each other. The Reading Company went along with this practice due to it being economically viable to their bottom line, and also it kept people employed in the City of Reading. This action obviously kept intact the mutual benefit system that the city and the company established in the post strike era. Another item that was discussed on the program was the issue of providing heat for workers in the winter. One individual who called in spoke of Reading Company officials more or less tuning their backs on the practice of coal tossing. The practice of coal tossing was undertaken by engineers of the locomotives that were coming down from the coal regions of North Western Pennsylvania. As the trains would ply through Schuylkill, Berks and Chester counties, the engineers would take shovels full of coal and throw them over the side at houses they new were owned by railroad employees. The families would then go out into there yards once the train passed and collected the “discarded” coal, which would provide them with heat in the winter months.

Also in many cases the men that would load the coal into the rail hoppers would deliberately overload the hoppers so that coal would spill out along the way down to Reading and points beyond. The gentleman who called in to the program spoke of how the engineers would jerk the trains as they pulled out of Franklin Street Station in Downtown Reading so that coal would spill out the tops of the hoppers. This practice of coal tossing was not something that the Reading Company liked, but it was a practice they allowed to continue due to the hard economic times.

FURTHER COMMITMENT:

Also during this time the Reading Company expanded its railroading facilities in the City of Reading. The company had two major passenger stations within about one mile of each other in downtown Reading. It was decided in 1928 that the Franklin Street Station was no longer adequate to suit the need of passenger service. (4) It was decided that the best option would be to level the former station and construct a new Franklin Street passenger station. Subsequent construction on Franklin Street Station put many unemployed local craftsmen to work for the next three years. The station finally opened its doors to the public on March 1st 1930 at a total cost of \$500,000. (4) This grand new station was not just like any other building; rather it was a sign of the further commitment of the railroad to the city. During the Depression Era the Reading Company offered several excursions for railroad families so that they could remove themselves from otherwise drab conditions.

Such outings allowed company employees to travel on Reading trains to go to company picnics at places like Hershey. One such company picnic at Hershey was documented in the 1939 Reading-Jersey Central magazine. The event was held on September 7th 1935, and over 3,500 railroad employees and families attended this event, which was paid for by the Reading Company. The highlight of the day was the Reading Company Y.M.C.A. of Reading beat the Philadelphia Reading Company team at baseball. There were games and food provided for all the families who attended the event. These gestures by the Reading Company for its employees would go a long way in the war years yet to come.

THE WAR YEARS:

Just prior to the beginning of World War Two a speech was given to several new apprentices by the president of the railroad at the Reading Car shops. He stated “It is my policy, if and when new cars are to be constructed, they shall be constructed in our Reading Company Car Shops”. (6) His words further echo and support the mission statement that was given by the P&R 104 years earlier. The City of Reading had and has a vital place in the production of railroad material. President Scheer’s words of confidence could not have come sooner, because World War II began soon after.

Just like every other railroad during the war the Reading moved everything and everything to the vital ports of the east coast. They moved troops back and forth from training depots, they moved steel and guns and bombs.

Yet still all of these years after 1833 the Readings bread and butter was the transporting of Anthracite coal to the steel mills in Reading, Pottstown and Philadelphia. Reading Anthracite was not only used on the east coast, it was also shipped by Reading Company ships to ports in war torn Europe and beyond. The railroad was moving at a pace of insurmountable speed and all during the time wearing down their equipment. When the company needed a new train or new car or if old equipment just needed to be repaired, they turn to Reading's 6th street car shops. It was during the war years that the Reading Company appointed a new president Revelle W. Brown. President Brown made his first official stop in the City of Reading to deliver a speech on the condition of the railroad. At the gathering he spoke about the commitment of the company to the city he stated, "The capacity of the Reading shops has been ample through out the entire war period", "In view of these facts, it should be apparent that as long as the work can be done more efficiently in our Reading shops it will not be necessary to transfer it to any other point". (8) He also stated "The well being of the Reading Railroad should always be a matter of great concern to you. This is an important industrial area and your trade and commerce will always need the very best transportation service". (8) He also went on to make a very profound statement about the company and the city, "*The City of Reading and the railroads have much in common, and this is truly particularly of the Reading Railroad. In a great sense we grew up together, the Reading is one of your oldest citizens. Over the past century we have held a common interest-the development of trade and commerce in this area.*"

We shared the prosperity of good times and the disappointment of bad times. And we learned a long time ago that we prosper together-if we prosper at all. (8)

This speech was the culmination of 112 years of railroading history, it defined what the city meant and it defined what the railroad meant to the city. The war years were probably the last real hurrah for the city and the railroad. While in large part all of the national railroads did do very well after the war, the death knell had been sounded for the Reading.

THE END OF AN ERA:

By the time the 1960's rolled around the Reading was in dire need of money. The country was moving away from using dirty coal instead using new sources of heating, such as gas and oil. This and the 1970's were a time of the great environmental awakening, the clean air and water movements. Smoke billowing out of a smoke stack was no longer seen as a sign of progress, it was rather seen as harm to our planet and us. With the war over the United States was able to produce the automobile in vast quantities again, and with a new wealthier middle class most families could afford one. Also the development of the interstate allowed the automobile to roam across the country at a leisurely pace.

In the cities many once urban families began to move out to the comfort of the suburbs. And with them went some of the manufacturing facilities and several if not all of the retail services downtown used to offer.

The railroads suffered greatly in rider ship during this time of great upheaval in this country, but we must remember the Reading really made its money in the production and shipment of coal. As I stated above by 1970 the desire to use coal as a mean of anything was not seen as very desirable.

This along with the outsourcing of several major steel manufacturing jobs in Reading, Pottstown, and Philadelphia spelled an end to the Reading. The Reading had hoped that that traffic from other lines around it would offset its losses in the coalfields. The hope soon faded as lines around the Reading such as the Pennsylvania Railroad began to falter them. By 1971 the Reading Railroad filled for chapter 11-bankruptcy protection, its assets were then turned into the Consolidated Rail Service (CONRAIL). By the mid 1980's all passenger service to Reading from Philadelphia was ceased. The Reading Terminal in Philadelphia closed its doors as did the Franklin Street Station in downtown Reading. Although CONRAIL did continue to repair cars in the Reading car shops, it was a far cry from what was once a hustling and bustling enterprise. Then by the early 1990's CONRAIL was bought out by Norfolk Southern, which ceased all work at the Reading Car shops. For the first time in well over 150 years the massive car shops stood empty, no more hammers banging on steel, no more steam whistles blowing the end had come.

READING REVIVAL:

While the Reading is no longer a railroading company today, there has been a great interest in preserving its past. Such was the case with the Reading Terminal, which was the headquarters for the railroad for almost 150 years.

When the City of Philadelphia was interested in building a convention center the idea was put forth to restore the old structure and use it for the convention center. Along with the convention center restoration of the Reading Terminal Market was also undertaken during this time. Along with projects like this there is also a plan to restore passenger service between Philadelphia and Reading again. The new Schuylkill Valley metro would allow passenger to travel along the very busy Schuylkill River corridor. The need for a project like this is great due to the increases of new technological and service oriented jobs that are being created in large part due to a global economy. While the City of Reading may have the lost the railroad and its entire major heavy manufacturing jobs, it stands to gain a great deal from the Metro project. New and more technologically advanced jobs have replaced the old manufacturing jobs.

CONCLUSION:

The rise and fall of the Reading Railroad is no different than any of the other companies that have left or gone bankrupt in this country. The railroad served its purpose for over 100 years and now it is gone. It was not only the loss of jobs that destroyed the City of Reading; it was really a loss of pride. The railroad had put the city on the map since the very beginning of its existence. When citizens of Reading went abroad they were generally known in part because of the railroad that bore its name. Even though the old Anthracite hauling rail company is gone it is far from forgotten. Everywhere you go in Reading and Berks County there are bits and pieces of our railroading history.

Whether it is the logo on the Reading Phillies caps or a mural depicting the history of Reading, or even in the crumbling remains of a train station. Even though the Reading is gone, it most certainly lives on in the memories of all the citizens of the city and county. We now pin our hopes on the new railroad the metro rail that will restore rail service between Reading and Philadelphia. While globalization may have destroyed the old Reading Railroad, the new metro promises to bring the new high tech jobs through the Schuylkill River corridor. In a way we have come full circle, and we are now back to where we started. The new horizon lies before us in the form of the new technology jobs of the twenty first century, which were a direct cause of globalization. Our nation must redefine itself just as it did in the past to meet the challenges of the future.