THE TRANSFORMATION OF THE PACIFIC ELECTRIC RAILWAY
Bradford Snell, Roger Rabbit, and the Politics of Transportation in Los Angeles

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In his account of the motorization of transit in Los Angeles, Bradford Snell focused on industry-based interest group politics and on modal conflict. These obscure the politicization of transport issues at the metropolitan level. Competition between place-based coalitions to attract and retain mobile capital investment structured not only urban transport politics but also controversial efforts to create governmental transit agencies. In this article the author critiques Snell’s account and provides an alternative analysis of the fate of the Pacific Electric Railway that is grounded in the political economy of the Los Angeles region in the period immediately preceding and following World War II.

Everything Bradford Snell wrote in *American Ground Transport* (U.S. Senate 1974, Part 4A) about transit in Los Angeles was wrong. Yet the enormously successful Hollywood film *Who Framed Roger Rabbit?* — a charmingly distorted version of Los Angeles transport history — is a good example of the now-conventional nature of his ideas. Ironically, *Newsweek* reported that even critics of General Motors (GM) agreed that the corporation had fought Snell to a standoff when it produced a detailed response shortly thereafter. The trolley issue appeared to have been defused (“Mass transit” 1974).

Snell actually wrote very little about Los Angeles. This is what he said:

That year [1940], PCL [Pacific City Lines — an affiliate of National City Lines organized by GM and Standard Oil of California] began to acquire and scrap portions of the $100 million Pacific Electric system including rail lines from Los Angeles to Glendale, Burbank, Pasadena, and San Bernardino. Subsequently, in December 1944, another NCL [National City Lines] affiliate (American City Lines) was financed by GM and Standard Oil to motorize downtown Los Angeles. At the time, the Pacific Electric shared downtown Los

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Angeles trackage with a local electrical streetcar company, the Los Angeles Railway. American City Lines purchased the local system, scrapped its electric transit cars, tore down its power transmission lines, ripped up the tracks, and placed GM diesel buses fueled by Standard Oil on Los Angeles’ crowded streets. In sum, GM and its auto-industrial allies severed Los Angeles regional rail links and then motorized its downtown heart. (U.S. Senate 1974, Part 4A, A-31)

These sentences about what happened were preceded by brief descriptions of the noble character of the Pacific Electric Railway Company (PE) and the beautiful place that was Los Angeles before National City Lines (NCL), GM, and Standard Oil wreaked their havoc. Snell followed his causal analysis with a characterization of Los Angeles in 1974 as “an ecological wasteland” of dying palm trees and paved-over orange groves, where the air was a septic tank for motor vehicle pollution, and concluded that when it lost PE, “Los Angeles may have lost its best hope for rapid rail transit and a smog-free metropolitan area” (U.S. Senate 1974, Part 4A, A-31).

Ironically, the Los Angeles County Transportation Commission currently is financing the construction of an extensive rail transit network that, in many places, will follow PE routes (Adler 1986). The commission’s first line, linking the downtown areas of Los Angeles and Long Beach, even utilizes an abandoned PE right-of-way. The overall plan will indeed involve the expenditure of astronomically greater sums of money than it would have cost to purchase, modernize, and upgrade PE.

In this article I will provide an account of the transformation of PE, the world-renowned giant of the interurban electric railway industry, to a mostly bus operation. I will place the transformation of PE in the context of Los Angeles transport politics in the period immediately preceding and following World War II, and I will show that this transformation just did not happen the way Snell said it did.

First though, I want to take a critical look at the report itself. Although Snell clearly was not the first to portray matters this way, he powerfully reinforced the widespread notion that the main political conflict in urban transportation is between modes of transport — highway versus rail. Snell explained motor-vehicle dominance as a function of the overwhelming economic and political power of the vehicle manufacturers — led by GM — and their oil industry associates. This focus on the modal issue and industry-based interest-group politics obscures fundamental conflicts rooted in the emerging urban political economy of mid-twentieth-century America. These conflicts, including those over the location, design, financing, and control of transport projects, are structured by competition between places within metropolitan areas to attract and retain mobile capital investment. The politics of munic-
ipalizing the failing privately owned transit industry, an early manifestation of local industrial policy debate in the United States, is another of the most important dimensions obscured.

In the course of writing about various aspects of Los Angeles transport history, Bottles (1987) and Brodsky (1981) paused to challenge Snell’s claims about what happened to PE. However, neither writer provided a detailed analysis of either what Snell said or the transformation of the rail system. Moreover, both Bottles and Brodsky failed to appreciate the nature and political dynamics of a rail rapid transit movement that was active in Los Angeles during the immediate post-World War II period. PE’s fate, I will argue, was intimately linked to the trajectory of this movement, which sought to place rails in freeway medians and upgrade several PE lines to rapid transit status. St. Clair (1986), who provided a much more elaborate and sophisticated discussion of the transit vehicle issue than had Snell, did not directly critique Snell’s PE story, even though he presented a good deal of his own evidence that would be relevant to a critique. In addition, St. Clair failed, as had Bottles and Brodsky, to appreciate the significance of the political context in which major transit changes were taking place in Los Angeles.

Whitt and Yago (1985) argued that a full understanding of the political economy of urban transportation required a national-level analysis of corporate structure and dynamics—the changing political and economic power of industrial interest groups—as well as a local-level analysis of struggles for control over transport policies and the pattern of urban development. Local struggles, they pointed out, influence national strategies. Whitt and Yago concentrated on the national level, extending the political analysis that Snell had presented. However, as I mentioned earlier regarding Snell, Whitt and Yago’s focus on corporate interests and actions and their stress on modal conflict obscure the way in which transport issues are politicized at the local level. In his Urban Elites and Mass Transportation (1982), Whitt confused PE and the local streetcar company and also missed the significance of the postwar rail rapid transit movement. Yago’s The Decline of Transit (1984) contains a photograph of a PE railcar running in the median strip of the Hollywood Freeway. His explanation that political action by the highway lobby eliminated the possibility of preserving and extending multimodal transport arrangements such as this missed the critical local political dynamics as well (p. 67). Transport investment choices, including the choice of mode, are key issues in policy and planning debates. I argue, however, that place competition structures and animates these debates.

In this alternate account I concentrate on the local level. Competition between places—within and between metropolitan areas—to attract mobile
capital investment structures urban transport politics in the United States. Competing place-based coalitions of investors and their technical and political allies attempt to deploy major transport projects — highway and rail — as weapons to create location advantages, as Whitt and Yago acknowledged. When capital to construct these projects was no longer forthcoming from the private sector, as was the case with transit after World War I, coalitions sought governmental intervention, thereby politicizing the transit investment process. Intrametropolitan competition — between downtown and outlying business centers — emerged first in Los Angeles and is central to an understanding of the fate of PE. It also is the key feature of more recent rail transit conflicts in Los Angeles (Adler 1986), as well as of urban transport politics throughout the United States. This account is a bit more complicated than Snell’s, but I think more interesting and even more colorful.

**SNELL’S AMERICAN GROUND TRANSPORT**

Snell’s *American Ground Transport* was printed in 1974 at the request of the Subcommittee on Antitrust and Monopoly of the United States Senate Committee on the Judiciary, in conjunction with the subcommittee’s hearings on the Industrial Reorganization Act. The sponsors of the act had argued that the economy of the United States was in trouble because competition no longer prevailed; its aim was to outlaw monopolies and oligopolies and to restructure seven key industries, one of which was motor vehicles. Snell, who had practiced antitrust law in San Francisco, was a staff member of this subcommittee, although his report had been financed by the Stern Fund of New York and completed before he joined.

In April 1974, several weeks after Snell had summarized his study for the subcommittee, the members received *The Truth About "American Ground Transport" — A Reply by General Motors*, which the subcommittee also printed and issued along with Snell’s report (U.S. Senate 1974, Part 4A). GM argued against Snell’s contention that it had destroyed PE, claiming that PE was on the verge of self-destruction following years of substantial financial losses and that it had begun to abandon rail lines and substitute buses for trains long before NCL and any NCL subsidiaries were created.

GM went on to counter Snell’s claim about severing regional rail links by pointing out that Pacific City Lines (PCL) — an NCL subsidiary — had not acquired any *interurban* rail lines between Los Angeles and Burbank, Glendale, Pasadena, and San Bernardino. GM noted that PE had sold its operations in Glendale and Burbank to PCL and had abandoned local rail lines in
Pasadena. A PCL subsidiary had begun to provide local bus service in Pasadena. However, all of these were strictly local lines, running within these smaller cities (U.S. Senate 1974, Part 4A, A-116). GM further pointed out that Los Angeles Railway had also been abandoning streetcar lines and substituting buses in downtown Los Angeles for many years prior to the arrival of NCL and associates on the scene (U.S. Senate 1974, Part 4A, A-117). GM underscored its defense by noting that all of these abandonment and substitution decisions had been sanctioned by the state government agency that regulated privately owned utilities.

In addition to encouraging GM to respond, the subcommittee asked George Hilton, professor of economics at the University of California at Los Angeles, to evaluate American Ground Transport. Hilton, widely recognized as one of the country’s leading transportation economists and historians, had coauthored The Electric Intercity Railways in America (Hilton and Due 1960), the most important scholarly source cited by Snell regarding Los Angeles and PE. Quoting from this book, Snell attributed specifically to Hilton statements about the contribution PE might have made to an efficiently functioning, environmentally clean metropolitan area (U.S. Senate 1974, Part 4A, A-32).

Hilton testified before the subcommittee about five weeks after Snell had presented his summary. He noted that although NCL did take control of the Los Angeles Railway, PE had never been an NCL subsidiary and that GM had never had an interest in it. PE was owned by the Southern Pacific Railroad (SP); PE’s passenger operations were sold in 1953 (U.S. Senate 1974, Part 4, 2206-7).

A crucial link in Snell’s causal analysis involved shared downtown trackage. In a footnote Snell argued that “motorization of the L.A. streetcar system had a direct impact on the operation of the regional Pacific Electric. As the Pacific Electric shared downtown tracks with the L.A. streetcar company, motorization of the latter impeded the continued performance of the former” (U.S. Senate 1974, Part 4A, A-90, fn. 205). Regarding shared trackage, Snell cited Hilton and Due, who, in fact, had written that PE and the Los Angeles Railway had miles of dual-gauge track (Hilton and Due 1960, 52). In addition to pointing out in his oral testimony that PE and the Los Angeles Railway used different gauge tracks, Hilton noted in his written statement that “owing to the gauge difference from [Los Angeles Railway], Pacific Electric had entered downtown Los Angeles on private rights-of-way and on three-rail trackage shared with [Los Angeles Railway]. Thus, this was not a situation such as occurred in other cities that abandonment of local streetcar lines caused the cessation of interurbans before it would otherwise
have occurred” (U.S. Senate 1974, Part 4, 2206-7, 2231). Spencer Crump, whose *Ride the Big Red Cars* also was cited by Snell, had noted that in those instances in which tracks were shared, there were three tracks (Crump 1962, 94).

Hilton also challenged Snell’s attributing to him statements in his coauthored book that were actually written by Duc. Hilton told the subcommittee that it was Due’s opinion—but not his—that PE could have formed the basis of an efficient rail rapid transit system that would have greatly lessened traffic and smog problems in the metropolitan area. A statement from Due to the subcommittee in support of Hilton’s claim was included in the printed record. Professor Due further discussed the significance of the fact that PE was owned by SP, pointing out that

the Southern Pacific was the first major railroad system to commence to eliminate local passenger service (starting in Oregon in the 1920s) and later to regard all passenger service as a liability. Clearly the failure of the Pacific Electric to modernize and adapt to changing conditions after 1925 was a reflection of the SP managerial attitude. (U.S. Senate 1974, Part 4, 2266)

In its reply (U.S. Senate 1974, Part 4A) GM did not address the issue of shared trackage, but what it did say about Los Angeles Railway and PE was accurate. In October 1940 California Railroad Commission (CRC) staff engineers met with officials of the Los Angeles Railway Corporation to discuss a rehabilitation program the company had put together. Los Angeles Railway wanted to get these engineers’ reactions before asking CRC and the City of Los Angeles Board of Public Utilities and Transportation for authorization to proceed. The planners contemplated substituting buses for trains on 16 of the company’s 24 main rail routes over a five-year period, 1941-1945. The engineers noted that the company proposal differed in certain details from what CRC staff had been thinking; however, they were basically in agreement. Moreover, CRC staffers were pleased to see that the management of Los Angeles Railway finally had decided to address accumulating service and financial problems—a decision signaling a changed corporate attitude.

Los Angeles Railway Corporation filed its initial application reflecting the new plan with CRC on January 2, 1941, noting that the proposed bus-for-rail substitutions were “made with the intention that . . . said changes will be the first of a number of similar proposals to be made over a period of years with the end in view of modernizing the equipment and services rendered” (CRC 1940). CRC approved the application in March 1941 (CRC 1941).
Snell cited *Moody's 1940 Manual of Investments—Public Utilities* in support of his claim that GM and its allies had severed regional rail links by acquiring and scrapping PE lines from Los Angeles to Glendale, Burbank, Pasadena, and San Bernardino (U.S. Senate 1974, Part 4A, A-90, fn. 203). However, page 19 of the manual, the page referenced by Snell, contains the statement that PE's president had announced an agreement "to sell its *local* bus and rail lines. . . . The fundamental purpose . . . was to enable Pacific Electric to concentrate on main-line *interurban* rail operations, allowing Pacific City Lines to handle local feeder service in cities outside Los Angeles" (*Moody's* 1940, 19, italics added). Moreover, on page 20 of the manual, it was noted that PE announced in October 1939 that it had filed with CRC an extensive rehabilitation program that involved substituting buses for existing rail lines.

Indeed, in March 1939 CRC's chief engineer submitted his report on the status of PE—the most exhaustive investigation of the operations of an interurban electric railway ever undertaken in the United States. The recommendations, which Due mentioned (Hilton and Due 1960, 407), included extensive abandonment of rail lines and substitution of motor coaches, including the abandonment of rail service from Los Angeles all the way to San Bernardino. As *Moody's* noted, PE had applied for permission to implement some of these recommendations, including the San Bernardino service, before World War II and was authorized to do so by CRC (CRC 1939). Due went on to state, echoing *Moody's*, that even after the significant abandonments carried out by PE before World War II, "the high-density traffic lines remained" (Hilton and Due 1960, 407). Due's account of what happened to each of PE's rail lines clearly indicated, as did Crump's (1962) line-by-line history, that the more heavily used rail services were not abandoned until the 1950s.

Snell made one more reference to PE, in the context of a paragraph-length discussion of the abandonment of electric railway freight service. He pointed out that

the Pacific Electric . . . was once the third largest freight railroad in California; it interchanged freight with the Southern Pacific, the Union Pacific and the Santa Fe. In urban areas, these railways often ran on local streetcar trackage. The conversion of city streetcars to buses, therefore, deprived them of city trackage and hardened their replacement by motor trucks, many of which, incidentally, were produced by GM. (U.S. Senate 1974, Part 4A, A-35)

This paragraph exemplifies Snell's misunderstanding of the character of PE. PE did not simply interchange freight with SP. SP had acquired PE before World War I precisely for the purpose of taking advantage of the freight
connections afforded by PE (Fogelson 1967). Due had noted in The Electric Interurban Railways in America (Hilton and Due 1960, 409) that SP had lost interest in local passenger transport after the middle 1920s. PE’s freight operations, however, became increasingly important to SP, especially during and after World War II.

The substitution of buses for city streetcars did not in any way affect PE’s freight business. Rather, SP wanted PE to substitute buses in order to get money-losing passenger trains out of the way of the profitable freights. This characteristic of PE—the joint use of much of its trackage—also figured in the rail rapid transit politics that convulsed metropolitan Los Angeles during 1948 and 1949. During those years a movement led by the Los Angeles Chamber of Commerce proposed to incorporate several of PE’s jointly used tracks, upgraded to accommodate rapid transit trains, into an extensive rail rapid transit system radiating from downtown Los Angeles. The politics of this proposal, which I will discuss at greater length later, ran directly counter to SP’s interests. There was, therefore, an element of industry-based politics that shaped PE’s trajectory, though it was not Snell’s automotive-oil juggernaut that determined the course of events. In metropolitan areas, the more important industry-based conflict generally featured merchants and real estate investors, who were interested in spreading the cost of their favored transit projects, and manufacturing firms—excepting vehicle and power suppliers—that lacked an interest in urban transit.

As I mentioned earlier, Newsweek (“Mass transit” 1974) reported that following GM’s reply (U.S. Senate 1974, Part 4A), the trolley issue appeared to have been defused. Snell agreed that some bus-for-rail substitution had been taking place before GM and associates came on the scene, but he insisted that GM “had accelerated the trend” (“Mass transit” 1974). The one comment in the Newsweek story regarding Los Angeles focused on GM’s argument that PE had begun abandoning rail lines many years before there was any GM involvement in the area. There was no report of the other factual errors contained in Snell’s account that GM, Hilton, and Due had pointed out.

Hilton told the Senate subcommittee that its decision to print American Ground Transport would likely have grave consequences, saying, “It is a misrepresentation of what has happened which is likely to give rise to inappropriate policy” (U.S. Senate 1974, Part 4, 2215). Hilton was mistaken about future policy developments. Congress did not take up Snell’s crusade to break what he saw as GM’s monopoly of ground transport. Legislation to restructure the motor vehicle industry, including severing GM’s bus and locomotive manufacturing operations, did not pass. However, Hilton also
told the subcommittee about another very important objection that he had to the report:

[I]t is misrepresenting an historical record. . . . [I]f you studied economic history, documents of this character are one of the most important historical sources. More of what we know about 19th century English economic history comes out of the Parliamentary Papers than out of any other source, so this report is a disservice to the historical documentation of the Nation, in addition to its other shortcomings. (U.S. Senate 1974, Part 4, 2215)

The Senate did print Hilton’s testimony and Due’s correspondence, as well as GM’s response to Snell. The manner and extent, however, to which American Ground Transport — and the part about Los Angeles in particular — was taken up in much, though not all, of academic, political, and popular discourse about urban transport demonstrates the validity of Hilton’s point.

In summary, Snell’s story about Los Angeles was wrong. GM’s main rebuttal point was that Snell had ignored the physical and financial shape of the transit companies during the period in question. They were in grave financial trouble and their rail lines were in terrible physical shape. To most of those involved, substituting buses appeared to be the one available strategy that might turn things around. Moreover, Snell’s focus on rail-highway modal conflict obscured fundamental urban dynamics regarding the role of transport facilities in the competition between places and the related politics of municipalizing a failing private industry. Due framed the key issue as follows:

It is regrettable that government units did not take over the system in the mid-thirties, while it was still intact . . . and recognize the importance of continued use of the rail facilities in the over-all solution to the transportation problems in the area. (Hilton and Due 1960, 409)

Crump (1962, 7-8) emphasized the same public policy failure. Snell sensed this as well; the sentences quoted earlier signaled his awareness that the actually existing PE system would not provide adequate rapid transit. Snell’s focus, however, on GM and its associates displaced an analysis of the character of PE and the political dynamics of state and local government intervention.

THE TRANSFORMATION OF PACIFIC ELECTRIC: PART ONE

The California Public Utilities Commission (CPUC) began hearings on PE’s proposed postwar modernization program in May 1949. The company’s plan included eliminating many rail lines and substituting buses and using
one-person- instead of two-person-operated railcars on some of the remaining routes. PE proposed to spend about $4.5 million to purchase new motor coaches and rehabilitate tracks and railcars to implement this program. PE president O. A. Smith forecast that if permitted to make these changes, the company would, after many years of financial losses, likely earn a small profit on its passenger operations without having to raise fares. The president of SP testified in support of PE’s proposals. The Los Angeles assistant city attorney asked the SP president, “Do I understand . . . that SP is willing to finance a bus substitution program but is not going to subsidize the continuation of rail service?” The president replied, “That is right. . . . [W]e know very definitely, from past experience, we will not put any more money into rail transportation such as we have today around Los Angeles” (CPUC 1949, 1200).

PE’s modernization program was prepared for the company by consulting engineer Arthur Jenkins. From the company’s point of view, Jenkins was the ideal person to undertake the task. He had been engineer and transportation research engineer for CRC and had done the exhaustive survey of PE completed in 1939. Jenkins was, therefore, intimately familiar with both the company and the regulatory process. In his 1939 report to CRC, Jenkins eloquently expressed the fate of the electric railway industry giant:

Largely instrumental in the development of the Los Angeles Metropolitan area into one of the most productive, wealthy, and populous sections of the country by reason of the sense of security and permanence afforded by its existence and extensions in pioneer territory, portions of Pacific Electric Railway’s rail system have been largely relegated to the scrap yard in so far as its passenger transportation usefulness is concerned, and the populations that were built up by reason of their existence have adopted new means of travel. They have deserted the agency that made possible, to a large degree, the development of their communities. (CRC 1939, Vol. 1, 115)

Jenkins was referring, of course, to the impact of the automobile. He also noted PE’s tragic aspect: the great number of population-serving commercial centers that had grown up around PE stations throughout the region that effectively competed with downtown Los Angeles. PE had breathed life into place competitors along its downtown-radial lines that were increasingly attracting automobile-using patrons during off-peak hours; PE was left to cope with the morning and evening peaks, which were much more costly to serve. Until 1931 the company had generated sufficient revenues to cover operating expenses, although not enough to cover all fixed charges, pay dividends, or maintenance costs. After 1932 revenues failed to cover even operating expenses.
Jenkins recommended extensive abandonment of rail lines, substitution of motor coaches, and the use of one-person-operated cars on the remaining rail lines (CRC 1939). He argued that since labor costs accounted for between two-thirds and three-fourths of operating expenses, substituting motor coaches and railcars operated by one worker for cars operated by two workers promised PE the greatest measure of financial relief. CRC had been strongly urging transit companies around the state to do this and some, including Key System in Oakland, had done so. This practice was bitterly resisted by transit workers, however, who sought political support to maintain jobs. In 1935 San Francisco voters approved an initiative ordinance prohibiting the Municipal Railway from using one-person-operated streetcars, and in 1939 Los Angeles voters followed suit, mandating two-person-operated streetcars within city limits. The Los Angeles initiative was declared unconstitutional shortly after passage, because it illegally preempted the jurisdiction of CRC regarding the regulation of privately owned utilities. Municipal Railway workers and their supporters successfully defended the San Francisco ordinance until 1954; in large part due to the ordinance, though, railway management proposed — and the city electorate overwhelmingly approved — a 1947 bond issue to substitute trolley coaches and buses for most of the city’s extensive street railway network (Adler 1980).

Jenkins pointed out that new rail equipment had been designed for operation by one worker as an economy measure and that he thought that “economies possible of realization through the use of such equipment will go farther toward perpetuating rail passenger transportation than any other one agency under private ownership” (CRC 1939, Vol. 3, 8). New vehicles, as well as rehabilitated tracks and rights-of-way on the remaining rail lines and a variety of other service improvements would, Jenkins believed, enhance PE’s financial position.

PE did apply for, and was granted, permission to abandon several lightly traveled rail lines and substitute buses as Jenkins had recommended, though the company did not take up most of the suggestions related to improving vehicles and service on the remaining rail lines. PE was particularly reluctant to move on the one-person railcar issue.

Restrictions on motor vehicle production and use during World War II, however, generated a surge in transit patronage for PE—and for transit companies throughout the nation—forcing the company to press all available equipment into service to accommodate wartime demand. The bus substitution program was placed on hold for the duration, and PE showed a net profit during the war years. The overall impact of the patronage surge was, however, to exacerbate the physical deterioration of the network. Although funds were
available, wartime labor and materials priorities prevented the expenditure of these funds on rehabilitation and on upgrading of facilities and services, thereby prolonging the pattern of deferred maintenance that had set in during the Depression. When the war ended, PE faced the prospect of having to invest very substantial sums of money to provide minimally adequate levels of service on its existing rail lines.

In July 1946 CPUC, on its own motion, instituted an investigation into all aspects of PE’s operations. CPUC acted at the same time that it decided to grant PE a fare increase in response to PE’s first such request in the postwar period. CPUC was concerned that unless PE dramatically boosted productivity and improved service, fare hikes would fail to generate revenues sufficient to cover operating expenses and would drive patrons away. Senior engineer Arthur Ager submitted his analysis of operations, services, and facilities in June 1947. Ager stressed, as had Jenkins in 1939, the necessity of substituting one-person- for two-person-operated railcars, saying that “under prevailing wage conditions, the provision of rail passenger service as a part of the mass transportation system in the Los Angeles Metropolitan Area can only be continued if one-man cars are operated to the greatest extent feasible” (CPUC 1947, 121). Ager also stressed the damage that was being done to its passenger operations by the preferential treatment that PE accorded its freights. He noted that freight revenues increased by approximately 223% between 1938 and 1946 and that the company had invested in expanding and upgrading its capacity to move freight. Ager argued that “the freight service . . . has been conducted at considerable sacrifice to the passenger service in that little, if any, improvements were made in main line routes, and the congestion of passenger trackage has continued to the present date without any noticeable reduction” (CPUC 1947, 124). Ager pointed to the managerial relationship between PE and SP as an important source of PE’s difficulties, particularly the matter of divided authority between the local management and the parent company, noting that “the local management is without authority to make commitments for additions and betterments which involve an expenditure in excess of $1000” (CPUC 1947, 155). Jenkins had discussed the significance of the subordinate relationship of PE to SP in 1939 and had called for more autonomy for PE; Ager echoed this recommendation as well.

Ager concluded his 1947 report with a list of 43 recommendations, the thrust of which differed dramatically from the pre-World War II proposals offered by Jenkins. Whereas Jenkins (CRC 1939) had stressed large-scale bus substitution along with one-operator cars and improved service on remaining rail lines, Ager (CPUC 1947) focused on maintaining and upgrad-
ing rail service. Jenkins (CRC 1939) had believed that the era of rail transit, indeed, of transit generally, was drawing to a close and that PE ought to grow old as gracefully as possible while it bowed to the realities of technological progress represented by the automobile. Ager (CPUC 1947), in contrast, thought that transit, especially rail rapid transit, still had a great deal to offer in dealing with metropolitan area traffic congestion problems and that it was PE's responsibility to play a leadership role in securing for the region the benefits that rapid transit had to offer.

Ager's list of recommendations to PE was estimated to cost about $11.4 million, 60% of which would go toward rehabilitating and upgrading tracks and rail rights-of-way. PE offered a rebuttal to the recommendations in October 1947. PE's response to the one-person railcar recommendation reflected the complexities of its joint passenger-freight operations. PE workers belonged to a railroad union, which had a more militant tradition than the unions that represented most workers in the transit industry. PE workers had clearly articulated their vehement opposition to a program of substitution. The company was, therefore, extremely reluctant to challenge the workers on this issue, fearing the impact on its profitable freight business. PE (Pacific Electric Railway Company 1947, 44) concluded that "the losses that might be sustained as a result of labor strife and poor service to the public could easily offset for a long time to come the actual economies that might be obtainable through one-man car operation."

Responding to Ager's recommendation to establish morning and evening peak-period express service on both rail and bus lines from rapidly growing suburban population centers to downtown Los Angeles, PE (1947, 20) noted that the federal government had ordered the termination of all express services during the war and that on its own, PE had resumed express runs on nine rail and coach lines in 1946, much to its financial detriment, adding that "express service during the peak hours of travel has stimulated such peak hour travel without any appreciable effect on the mid-day or off-peak travel. It is a well known fact that all peak hour travel while undoubtedly of material benefit to the community served and to the passengers using it, has had a detrimental effect upon the earnings of the Company."11

In response to Ager's recommendations to upgrade existing rail passenger services and to play a leadership role in the rail rapid transit movement then active in the region, PE explained that the company had cooperated with the movement and generally supported its efforts. However, since the movement's success would have profound implications for the kinds of services PE would provide, as well as the kinds of vehicles and facilities that would
be required, the company had hesitated to make any rail system commitments until the situation was clarified.

CPUC ordered PE to comply with many of Ager's recommendations, although the company was told merely to study those regarding the purchase of new equipment and the use of one-person-operated cars. CPUC said it wanted to see a plan for compliance with the recommended track-rehabilitation program, which was estimated to cost $5 million (Jenkins 1948). PE did not challenge the order, but it did contract with Jenkins to prepare an alternative approach and asked CPUC to delay the effective date of implementation of many of the required items until Jenkins's work was complete.

THE POLITICS OF RAIL RAPID TRANSIT IN THE LOS ANGELES METROPOLITAN AREA

Whereas Snell's account of PE's fate focused on modal and industry-based interest-group politics and obscured conflicts rooted in urban political economy and efforts to municipalize a failing private industry, the account I will offer stresses conflict between competing place-based coalitions seeking to deploy transport projects to create location advantages. Competition to maintain and attract mobile investment causes coalitions to think about all aspects of transport supply, including technology, facility location and design, financing, and control, strategically. Since place advantage is the key objective, facility location and related choices — rather than conflicts between modes of transport — are the fundamental dimensions of urban transport politics. Location choices are controversial when only one mode is involved and remain controversial regardless of the shifting politics of external effects, such as residential displacement, environmental degradation, and energy consumption.

PE actually filed its modernization program with CPUC in February 1949. However, the Los Angeles County Board of Supervisors asked CPUC to delay taking up PE's application. The board noted that state legislation to create a transit district was pending; "the abandonment of existing rights-of-way by . . . Pacific Electric might lead . . . to irreparable loss to the citizenry of Los Angeles County in any future effort to obtain a rapid rail transit system" (Los Angeles County Board of Supervisors 1949). CPUC was asked to wait until the state legislature clarified the situation. When the hearing began in May, it was crystal clear that the Los Angeles Chamber of Commerce-led rail rapid transit movement had suffered a decisive defeat resulting from
the intense opposition its district-creation efforts had generated among the many competing business centers in the region.

PE President Smith testified before the commission that PE had deferred proposing its modernization program in large part because the company wished to cooperate with the movement. Jenkins (1948, 5) had written Smith that the postwar rapid transit movement was different from "the many superficial rapid transit developments that have been initiated by less substantial groups in the past and due to their lack of substance have fallen by the wayside. This latest project appeared to have definite possibility of becoming a reality." Smith went on to say that

the Company is now in such a financial condition and the status of the rail rapid transit program has come to such an impasse that Pacific Electric can no longer defer action on replacement of highly non-profitable rail lines by motor coaches in the interest of the rapid transit program. There is actually no responsibility morally, legally, or otherwise, on behalf of this Company to preserve rail lines and rights-of-way at heavy continuing annual losses to meet a possible future need of the public through a rail rapid transit program, which, at the present time, appears to have extremely small possibility of ever materializing. If the prospects were favorable and the program could be gotten under way without delay or obstacles, even then Pacific Electric could not properly be expected to stand the cost of preserving rights-of-way at its own expense. (CPUC 1949, 23-24)

The program of the recently defeated rapid transit movement originated in the 1939 report of the City of Los Angeles Transportation Engineering Board (TEB), although the political dynamics that produced the defeat emerged during the 1920s. Intense controversy had arisen out of a 1925 proposal by a nationally prominent consulting firm advocating a rail rapid transit system and a 1926 proposal by the three major railroads in the region to build a set of elevated tracks in central Los Angeles; the latter proposal would have permitted PE to remove many of its interurban rail lines from the streets. The dynamics of the conflict that emerged then — both proposals were set aside — and that have characterized urban transport politics in Los Angeles ever since are as follows: Downtown business groups and their political allies have sought an extensive network of grade-separated, exclusive right-of-way transport facilities radiating from the core to outlying population zones, permitting downtown to penetrate these rapidly growing areas; investors involved in residential development in outlying areas have supported the downtown program; investors rooted in outlying business centers, together with their political representatives, have opposed the downtown thrust as an effort to encroach upon and colonize their hinterlands and have sought
transport projects that would facilitate autonomous growth (Bottles 1987; Fogelson 1967; Thomas 1939).

As part of their continuing quest to increase reception capacity dramatically and boost property values and retail sales, downtown business groups sponsored a 1933 rail rapid transit study by a prominent local engineer that was intended to be used in support of a construction loan and grant application to the federal Public Works Administration (Baker 1933). The federal government declined, however, to support the project, which would have involved upgrading extensive portions of the PE rail network.

A proposal by the Automobile Club of Southern California in 1937 to build a regional network of freeways disturbed—but also intrigued—the downtown activists. They were disturbed by the substantial number of proposed freeways that did not radiate from the central business district. These would promote further decentralization, evening out the distribution of activities across the landscape, it was believed, whereas rail rapid transit lines would be focused on the historic core (Thomas 1939). They were drawn, however, to the traffic-carrying capacity of the grade-separated, exclusive right-of-way facilities that did radiate from the center. They continued to search for funds to conduct a comprehensive study of rail transit problems and, in 1938, were able to secure a federal government financial commitment. The federal contribution required, however, a local match. Significantly, the Los Angeles City Council refused to put up the money; the local share was contributed by downtown business concerns (Brodsky 1981). The unwillingness of the city to participate reflected a critical local geopolitical fact: The city contained several aspiring business centers outside the central core; investors rooted there and their political representatives opposed the downtown-led initiative, producing a stalemate.

While TEB worked through 1939, the automobile club successfully sponsored state legislation enabling creation of a metropolitan transportation district that would prepare plans and recommend a mechanism to finance the construction of the freeways the club had proposed. These would then be submitted to the district electorate for approval (California Statutes 1939, Chapter 1109). The club, led by its engineer, E. E. East, was, however, unable to persuade local governments in the region to begin the district-creation process (Davis 1967). During the same 1939 state legislative session, Los Angeles County Senator Robert Kenny sponsored a bill on behalf of the downtown Los Angeles business community that would have created a Los Angeles metropolitan transit district for the purpose of constructing a rail rapid transit system (Kenny 1956). The bill would have created a government agency with wide-ranging powers in urban transportation. Significantly, the
state legislature would itself have created the district, rather than have set up an enabling process dependent on a vote of the proposed district electorate, as was the case with the automobile club’s legislation. The district would prepare a master plan and would have the power to sell general obligation and revenue bonds—subject to voter approval—to acquire, construct, own, and operate all forms of urban transport. The bill provided that areas could seek exclusion from the district based on a claim that a district-adopted master plan would not benefit the area. The bill also empowered the district to levy different taxes in special-benefit zones.

As it turned out, an entirely new bill was substituted for Kenny’s as his proposal wound its way through the legislative process. In this revised version, a district would have to be created through a local-level process, and a district so created would be limited to preparing a plan and suggesting a finance mechanism. The district would not be able to acquire, construct, or operate anything, even after a master plan was approved. Moreover, regardless of whether or not the electorate approved a master plan, the district would be dissolved four years after it was established (California Senate 1939, Senate Bill 1243). The new version passed both houses of the legislature; however, Governor Olson pocket-vetoed the bill. Kenny (1956) saw this veto as an act of “misplaced liberalism”; a response to the original business sponsorship of the legislation.

The fate of the Kenny bill illustrated the formidable obstacles in the path of a public policy aimed at restructuring a failing private industry. State legislative representatives of the many competing business centers in Los Angeles County successfully parried the downtown initiative, transforming a potentially powerful new governmental agency into a study group without the capacity to act. Although the automobile club pushed for freeways even though downtown activists were unwilling to support the club plan, the club was unable to be politically effective without downtown participation (Thomas 1939).

TEB’s report, which was issued in December 1939 following the swirl of legislative activity, contained a surprise. TEB was clearly a downtown initiative. Jenkins noted in his 1939 PE survey that the board’s studies carried “the endorsement of prominent downtown business interests” (CRC 1939, Vol. 1, 104). The Los Angeles Traffic Association and the Los Angeles Central Business District Association raised the money to match the federal grant when the Los Angeles City Council had refused. The Automobile Club of Southern California was not represented on TEB’s Citizens Transportation Survey Committee, although several people from outlying portions of the county were appointed by the mayor of Los Angeles to participate. Another
downtown-radial rail rapid transit plan, elaborating on the earlier Baker (1933) proposal, was expected. However, Lloyd Aldrich, Los Angeles City Engineer, was the leading activist soliciting funds for the TEB study, and Aldrich, although committed to downtown, was an ardent freeway proponent. TEB asked the New York consulting firm of Madigan-Hyland, which had worked closely with Robert Moses on numerous highway projects, to work with the board (Brodsly 1981). In its report, TEB acknowledged the automobile club for stimulating interest in the freeway idea and presented a plan for an extensive freeway network that emphasized downtown radials more than had the club’s proposal (City of Los Angeles Transportation Engineering Board 1939).

TEB bowed to its rail-transit-related origin by arguing that “the ultimate solution of the rapid transit problem in a large and densely populated area can be found only in rail rapid transit, and there is no doubt but that such a solution will eventually be necessary in portions of the Los Angeles Metropolitan Area” (City of Los Angeles Transportation Engineering Board 1939, vi). However, until such time as the necessary densities developed, express buses on the proposed freeways, in addition to upgraded service on portions of PE’s rail network, would provide adequate transit capacity. TEB went on to recommend, though, that when right-of-way for several of the proposed freeways was acquired, additional land in the median strip be purchased and held for future use. These potential uses included additional traffic lanes that could be used to double the number of lanes available in the peak direction during the peak period, an exclusive roadway for buses when patronage warranted, and rail rapid transit tracks when the demand for rail developed.

TEB pointed out that “in persons accommodated, the increase by adding a two-track rail line to a six-lane express highway would probably be several hundred percent though adding only about 15% to the right-of-way width ... at the expense of moderately increased initial cost” (City of Los Angeles Transportation Engineering Board 1939, 18-19). This corridor notion—combining freeway and rapid transit within the same right-of-way—captured the imagination of downtown activists. In a radial configuration, with off-street terminals in the core, virtually unlimited reception capacity for the downtown business district was promised. Combined rapid transit and freeway facilities, together with upgraded PE rail lines, would constitute the program of the Los Angeles rail rapid transit movement after the war.

Under the leadership of Lloyd Aldrich, TEB’s freeway program gathered institutional momentum. The Los Angeles City Planning Commission adopted it in 1941, after adding one more freeway, and the Los Angeles County Regional Planning Commission approved of its recommendations, after adding
several more freeways outside the city of Los Angeles in 1943. A statewide movement, led by the California Chamber of Commerce and other business groups, emerged at this time to advocate a major postwar highway-building program. Working closely with his engineer counterparts in cities throughout the county, Aldrich led the formation in 1944 of the Los Angeles Metropolitan Parkway Engineering Committee to articulate the priorities of the Los Angeles region to this movement and to develop a consensus position to present to the state legislature.

In late 1945 Los Angeles Mayor Fletcher Bowron secured city council funding to employ three nationally prominent transportation planning consultants to review traffic issues in the region, with special attention to the relationship of transit to the emerging freeway program. State Senator Randolph Collier—one of the leading advocates of a big highway-building program—would be bringing the California Legislature’s Joint Fact-Finding Committee on Highways, Streets and Bridges to Los Angeles in April 1946; Bowron wanted to ensure that transit issues were not obscured. Rapid transit was addressed by the consultant firm of DeLeuw, Cather and Company, which agreed with TEB’s freeway system recommendations but argued that population and economic growth in the region had been so rapid—and was likely to continue that way—that express bus operation on the important radial parkways would be impossible. The parkways would be filled to capacity as soon as they opened; there would not be room for any buses. Moreover, the great number of vehicles on central business district streets would present grave bus operating problems. Rail rapid transit, therefore, was indicated.

DeLeuw, Cather and Company pointed out that the Los Angeles central business district had remained static while outlying commercial areas had boomed. The consultant said, however, that a central core containing banks, transportation terminals, civic buildings, general offices, and a substantial amount of commerce would remain and that it would be possible, moreover, for downtown Los Angeles to attract the headquarters offices of large corporations doing business in the West if attractive transit were provided. The firm recommended that rail lines be placed within the median strips of several downtown-radial freeways as soon as possible, that PE railway lines running in private rights-of-way be upgraded to rapid transit status, and that a downtown subway be built to complement the two PE off-street terminals already in existence (DeLeuw, Cather and Company, H. Lewis, and J. Ong 1945).

Following the presentation of the consultant reports in December 1945, Mayor Bowron called for the formation of a citizens group to take the
initiative in developing an action program for both rapid transit and freeways and to coordinate the city’s proposals to the Collier highway committee. The city council officially designated the Los Angeles Chamber of Commerce’s Metropolitan Traffic and Transit Committee (MTTC) as agent. This committee was chaired by Neil Petree, who was the leading transportation activist in the state during the latter 1940s. When Petree addressed the state assembly in 1947 in favor of an increase in the gas tax to finance an extensive metropolitan area freeway-building program he was, in addition to being MTTC chair, a director of the Los Angeles Chamber of Commerce and of the California Chamber of Commerce, vice president of the Automobile Club of Southern California, chairman of the board of the Downtown Business Men’s Association, vice chairman of the Statewide Highway Committee, and downtown Los Angeles’s leading furniture merchant (California Senate and Assembly 1947b).

Petree and MTTC played a critical role in facilitating the gas-tax-related political compromises necessary to launch California’s pioneering postwar freeway-building effort. From the point of view regarding Los Angeles, the key issues were to ensure that any revenues from a tax increase be targeted to a specific program — metropolitan area freeways — and that highway funds be geographically allocated strictly according to automobile registration (Los Angeles Metropolitan Parkway Engineering Committee 1946). In 1947 the Los Angeles region, in alliance with its San Francisco Bay Area counterparts, succeeded: Specific freeways — including most of those designated by the Los Angeles Metropolitan Parkway Engineering Committee — were made eligible for state gas tax financing and construction by the California Department of Public Works. The engineering committee, however, had a more limited view regarding transit than did MTTC. The engineers believed that express buses operating on the new freeways would provide the major facet of a rapid transit system for the area, at a small fraction of the cost of any separate facilities. This view was shared by the state highway engineers who were building the roads.

MTTC sought legislation during the 1947 session that would bring rail rapid transit into the freeway program at the outset, along the lines that TEB and DeLeuw, Cather and Company had suggested. MTTC sponsored a bill that would permit the California Department of Public Works to provide for the mass transportation of persons on freeways by constructing bus or rail transit facilities in conjunction with the freeways (Southern California Business, 7 May 1947). Since the California constitution prohibited the use of gas tax funds for anything other than highway transport, the state would be reimbursed for its transit-related expenditures from transit user fees. The
proposed bill was declared to be an emergency measure because of the impending construction of the Hollywood Freeway; action was necessary now so that the freeway — TEB’s top priority project — could be designed and right-of-way acquired with transit facilities in mind. However, as this intensely controversial session of the legislature wore on, this measure was amended in crucial ways: The urgency clause was deleted, and the state was specifically limited to providing facilities for loading and unloading passengers carried only by motor coaches (California Senate and Assembly 1947a).

The Los Angeles Chamber of Commerce suffered a setback during the 1947 legislative session. This resulted both because of the concern on the part of the Public Works Department that the freeway-building program would be slowed in order to pay for transit rights-of-way and because of the traditional opposition generated by yet another Los Angeles Chamber of Commerce/downtown-inspired rapid transit plan. Despite this setback MTTC immediately rebounded, forming the Rapid Transit Action Group (RTAG), which brought together experts from state, county, and city government agencies, the transit companies, and the Los Angeles Chamber of Commerce to spearhead another legislative effort in 1948. James Beebe, municipal bond expert at O’Melveny and Myers, southern California’s most prestigious corporate law firm, headed up the effort to draft a transit district law. Beebe had also been a leading activist in support of the freeway-building program. If rights-of-way within freeway medians were to be purchased for rapid transit trains, then a government agency with financial power was necessary to assure prompt reimbursement to the state road builders. A sense of urgency prevailed because the freeway program was now poised to accelerate. Moreover, the chamber realized that the cost of the vast rail network it envisioned “would be prohibitive unless the system is installed in conjunction with the proposed expressways” (Los Angeles Chamber of Commerce 1947, 20).

In February 1948 RTAG presented its report, entitled Rail Rapid Transit — Now! (Los Angeles Chamber of Commerce 1948), to a mass meeting of political, civic, and business leaders. RTAG’s $310 million proposal closely followed the recommendations of DeLcuw, Cather and Company to place rail rapid transit lines in the median strips of several downtown-radial freeways and to upgrade several existing PE rail lines to rapid transit status. This plan was a prelude to the creation of a transit district that would be empowered to sell general obligation bonds to finance the acquisition of additional freeway rights-of-way and to build rapid transit facilities. Beebe explained the theory embodied in the RTAG financial and service plan to a state legislative committee this way:
Now, the financing—and after all in this type of act the financing plan of operation is the important matter—the financing has been gone over with investment bankers. . . . It is the unanimous opinion, and I think without doubt correctly, that revenue bonds wouldn’t be salable; that the project could never be financed upon any such basis; consequently, the bonds would be general obligation of the District. They would be payable first from ticket rates or charges . . . but if those were insufficient, then a general tax could be levied upon all taxable property in the District. . . . This rapid transit is the most expensive type of service. It is only designed to take people from and to their work; isn’t required for ordinary shopping conditions at all. That means there must be a very large amount of equipment available for the morning peak and ready for the evening peak and not used generally throughout the day, and for that reason most companies aren’t in position to finance generally rail rapid transit with all the huge expenses involved in it. (California Assembly 1949, 56, 60-61)

RTAG’s plan, supported by allies in the Hollywood business community and in the booming San Fernando Valley portion of the city, ran into concerted opposition from outlying business centers within and without the city of Los Angeles. Automobile club engineer E. E. East critiqued the RTAG proposal, outlining the durable framework within which political conflict would take shape:

The system is designed to carry people from outlying districts into the old center of the City of Los Angeles with the obvious purpose of increasing trade and property values within that center. It is proposed to assess the cost of the system against the entire metropolitan district, yet no attempt has been made by the proponents to show to what extent, if any, a radial system converging in the so-called central business district of the City of Los Angeles would benefit other cities and communities within the Metropolitan District. (East 1948, 5)

RTAG had also proposed a governing board appointed by the county board of supervisors. This suggestion also engendered resistance; all the mayors in the county— the Los Angeles mayor as well as the mayors of the smaller cities— opposed having the county supervisors appoint directors. In addition, the smaller cities generally feared domination by giant Los Angeles in any structure that did not specifically guarantee them a direct role.

Opposition aside, since the California legislature was not in regular session during 1948, transit activists would have to petition the governor to include the transit district issue in a call for a special session. Governor Warren indicated that he would be favorably disposed toward such a petition should it be forthcoming. In March, however, the Los Angeles County delegation to the state legislature voted 15-14 against petitioning the governor (Adler 1987). The Los Angeles Chamber of Commerce-led movement
was dealt another stunning blow, reflecting the conflicting interests of the many competing places in the region.

Following this setback, political representatives of the San Fernando Valley area, greatly concerned that the failure to secure rail rights-of-way on the Hollywood Freeway would retard the residential development of their area, secured resolutions from the Los Angeles City Council and the state assembly asking that further right-of-way acquisition for the freeway be suspended while a study of the situation was done; the council asked City Engineer Lloyd Aldrich to report on the relationship of the two transport projects (California Assembly 1948). Aldrich concluded that the most cost-effective approach would be to complete the Hollywood Freeway as quickly as possible, without waiting for a transit district to finance a rail right-of-way. He argued that rapid transit could be provided in a separate subway under the Hollywood business district at a total cost for both freeway and transit that would not be much greater than altering the current freeway design to accommodate rails (Aldrich 1948). RTAG was satisfied with the Aldrich report; it relieved the situation of some of the urgency that Petree, Beebe, and their associates had felt for the past year. However, their counterparts in the San Fernando Valley disagreed with Aldrich. A representative of 19 San Fernando Valley chambers of commerce told Senator Collier’s transportation committee, “If we are deprived of a system of rail lines in the Hollywood Freeway, our section of the City of Los Angeles, with almost one-sixth of its population and almost one-half of its area will suffer immeasurable damage” (California Senate 1948, 70-73). Valley activists worried that if rails didn’t go into the freeway, then a more expensive rail line would likely not be built.

RTAG revised its proposed transit district law for submission to the 1949 regular legislative session. The proposed governing board was restructured to accommodate the previously expressed mayoral concerns, and limits were placed on the weight of the city of Los Angeles. In order to alleviate worries about a district’s having the power to tax property, Beebe argued that RTAG had consciously rejected the theory—which prevailed in New York—that property owners should carry a portion of the cost because they benefited from the investment. RTAG believed that riders should pay the full cost of the rail system and that its proposed system would be able to cover principal and interest costs from fare revenues. The power to tax property would only be used to make up any deficit (California Assembly 1949).

RTAG made one other major tactical shift. Petree, Beebe, and their associates insisted that the system they had proposed in Rail Rapid Transit—Now! was simply an illustration of what was possible; it was not a final system plan, nor was it a necessary part of creating a district. Once a new agency
was in place, its first order of business would be to contract for a comprehensive study by independent engineers. Opponents were not convinced, however. The revised transit district law engendered the same pattern of conflict as in 1948 and 1939.

Articulating his place coalition’s opposition to RTAG’s proposed district, the executive secretary of the South Gate Chamber of Commerce distilled the fundamental way in which the intense competition between business centers in the region structured the dynamics of transport politics. He said that the people of South Gate — in the south central portion of Los Angeles County —

are not interested in getting to downtown Los Angeles, but we have 30,000 employees in the City of South Gate who live in various sections of metropolitan Los Angeles. We are just as much interested in getting those men and women back and forth to their employment as we are in getting them to downtown Los Angeles for any other reason. May I be brutally frank and say that we are a lot more interested in getting our employees back and forth to work than we are getting our citizenry to leave our own merchants in the City of South Gate and go downtown to Los Angeles to spend their money. I think that a little common honesty won’t hurt us any. (California Assembly 1950a, 448)

The planning director of the city of Glendale, north of downtown, expressed a similarly honest basis of opposition:

Any transportation system, highway or rail . . . must be of the ‘network’ variety rather than just a radial system to some particular center (such as the center of Los Angeles). . . . It is not to be expected that any district or area will sit idly by and be assessed, make contributions or vote for a facility which only indirectly serves them or which provides good service to some other community at their expense. (California Assembly 1950a, 479-80)

Mayors and chamber of commerce representatives from Inglewood, El Segundo, and Redondo Beach in the southwest deemed the proposed district “a plan to funnel everybody into downtown Los Angeles” (California Assembly 1950a, 461), whereas the people in those places wanted cross-town transport routes that would tie the smaller cities closer together.

Outlying business centers were clearly interested in transport projects that would facilitate autonomous local economic growth. An editorial in the Santa Monica Evening Outlook expressed the view that RTAG’s proposal, however, was “designed to save the downtown shopping district of Los Angeles at the expense of other districts and at terrific cost to all taxpayers. No real economic need for it exists beyond the need of downtown Los Angeles merchants to reverse a twenty five year old trend” (Santa Monica Evening Outlook, 18 April 1949). The Long Beach City Council member who led the
opposition to the transit district bill in that city forecast that "local shoppers would travel to Los Angeles 'to buy a spool of thread if this high speed rail line should be operated' " (Long Beach Press Telegram, 16 March 1949).

The same pattern of place competition and political conflict prevailed within the city of Los Angeles and on the Los Angeles City Council. The council delayed a vote on RTAG's transit district bill for several weeks; Petree then addressed the council in April, seeking support. Petree pointed out that should the council refuse to support the bill, it would surely die. The state legislature obviously would not approve anything the city did not want. The council voted 8-6 against creating a rapid transit district (Adler 1987). This time the Los Angeles Chamber of Commerce-led rail rapid transit movement suffered a crushing defeat.

Rails would not be going into the freeways; however, the freeways themselves—an extensive system of radials—represented a smashing victory for the downtown alliance. Articulated by Aldrich's Parkway Engineering Committee and Petree's MTTC, the region's top priority 10-year program of 165 miles of freeways was—with one exception—composed of downtown-radial routes, replicating the configurations of both PE and the major streets and highways built during the 1920s. The high priority accorded the radials reflected the crucial political role played by both groups in supporting the California Department of Public Works and in shaping and promoting the 1947 legislative highway program. It reflected as well the philosophy of freeway building shared by the state highway engineers and their local technical and political allies: The most important facilities were those intended to address the most severe congestion problems, which, at the time, were in and around downtown.

Although the constituency supporting highway building was broader than the one advocating rail rapid transit, the radial freeways were themselves controversial, and for the same reasons. A state assemblyman representing the harbor area of Los Angeles county south of downtown told Senator Collier's highway committee that the Harbor Freeway, under construction from the Los Angeles central business district down toward the south, ought also to be built from the harbor end up, saying

I have no animosity towards [the city of] Los Angeles. I don't care what the purpose of the freeway happens to be, in their minds. I don't know whether the downtown business interests were thinking about developing the freeway so that the people could come into Los Angeles and do their business...[B]ut we in the suburban areas...have our own interests. I am sure that if you start this program of commencing your freeways on both ends...you are going to meet some opposition from the people in downtown Los Angeles. I know their
feeling—it is to center everything in that area; everything funnelled into L.A. proper. . . . [A]ll of the suburban areas are suspicious of downtown Los Angeles. . . . It is a fight now to see how much business can be sucked in from the outlying districts to downtown Los Angeles, and your freeways will do that. So I hope the Committee will realize that the problem here is not one of increasing business for downtown L.A. (California Senate 1950, 53-55, 133)

In 1951 Aldrich was confronted with a group—an unofficial successor to the Parkway Engineering Committee—composed of administrative, engineering, and planning representatives from many of the smaller cities and suburban jurisdictions in the county who were seeking support for a program that would alter the pattern of freeway building in the region. Alerting the mayor and city council to the threat posed by this group, Aldrich (1951, 3) noted that

complete construction is recommended for many miles of parkways in parts of the region where traffic is of a rural character and where much less congestion is evident than is the case in the more densely populated centers. Furthermore, many parkways in the Adopted Plan which are required to satisfy immediate traffic demand are omitted or proposed for partial construction. It is also proposed that right of way only be acquired for certain parkways lying in densely built up areas.

Aldrich went on to argue that he did not mean “to detract from or belittle the need of traffic relief in the smaller cities or suburban centers” (Aldrich 1951, 3). However, he did see a need for “a mature acceptance of the self-evident facts. It appears obvious that the urgent demand for traffic relief must, invariably, occur in the very areas where acquisition and construction is most expensive. It is in these areas that the problems are most acute, and here they must be solved” (Aldrich 1951, 4). He also pointed out that the only hope for rapid transit for the region was to place express buses on freeways in the most densely populated areas (Aldrich 1951, 5).

Although the downtown alliance worked closely with the California Department of Public Works on the freeway program, the great reluctance with which the department approached the rail transit proposal reflected a limit to this mutually supportive relationship. The deputy state highway engineer clearly expressed the department’s circumspection during a state assembly hearing on the relationship of RTAG’s proposal to the construction of the Hollywood Freeway:

There is nothing, by any conception of the law, in regard to highways being constructed to mean that we must . . . examine the possibilities of rapid transit. That is not included in our responsibilities. . . . There is nothing before us until some group puts before us the proposition of putting rapid transit on freeways. We don’t like it. We don’t think it is proper there. We think the function of rapid
transit is quite different to vehicular traffic, and by putting it together in parallel positions you are creating difficulties and problems that make it unusually difficult to decide as to whether the cost to the freeway . . . is not increased. (California Assembly 1948, 119)

The fate of one proposed freeway—the East By-Pass—that was accorded a very high priority by rail transit activists, Aldrich’s Parkway Engineering Committee, and Jenkins illustrates the limits of the relationship between the state highway engineers and the downtown alliance. TEB had recommended the construction of a freeway skirting the eastern edge of the Los Angeles central business district in order to distribute traffic entering downtown along the radials more effectively and to remove through traffic from the downtown streets. DeLeuw, Cather and Company suggested putting PE trains in the median strip of this freeway. This would permit PE trains from the northeast, east, and south to have a grade-separated right-of-way in the congested central core; the trains would have a direct route to one of PE’s off-street terminals and would not have to use the downtown streets.

Putting rails in the proposed East By-Pass closely resembled the 1926 railroad proposal to build an elevated structure through downtown for PE trains. Jenkins had noted in his 1939 report that an elevated structure downtown linking PE’s private rights-of-way with its terminal would greatly improve service and increase the efficiency of operations. In 1948 he believed that placing rails on the proposed East By-Pass would bring “a very great benefit to the travelling public and to the company” (Jenkins 1948, 6). Ager thought that “dollar for dollar, the East By-Pass plan will probably return more transit service improvement than any other plan now under consideration” (CPUC 1947, 149). The Central Business District Association concurred that “in the improvement of the district to accomplish adequate traffic flows, both automobile and public transit, we feel that the work most necessary and the one which will do the most to facilitate traffic movement, is the construction of the East By-Pass” (Central Business District Association 1946, 38). Rail in the East By-Pass was a key element in RTAG’s 1948 proposal.

The California Department of Public Works did not accord the East By-Pass the same priority, however. In late 1947 Petree’s MTTC specifically asked the California Highway Commission, which set policy for the department, to consider speeding up construction of the East By-Pass to relieve downtown congestion and to permit placement of rails in the median (Southern California Business, 15 November 1947). The state did not respond. Indeed, when a California Department of Public Works representative was asked during the 1949 PE hearings about the status of the East By-Pass, the
answer was, "At the present time there is nothing other than preliminary planning being done on the east bypass." The representative was then asked if the East By-Pass had been included as a part of the State Highway System. He responded "No. The east bypass is not a part of the State Highway System" (CPUC 1949, 1556).

In fact, the East By-Pass had been included in the California State Highway System in 1947 as one of the Los Angeles-area freeways specifically incorporated in the massive highway bill of that year. Regardless of why the departmental representative did not acknowledge the East By-Pass, the state's reluctance would be understandable given the controversial—and financially limited—nature of the freeway program at the time. This would have been an extremely expensive short stretch of freeway located entirely within the Los Angeles central business district. Given the pressure to spend limited funds elsewhere in the region and the fact that the construction that was taking place was already concentrated in the core, the department would not likely be anxious to push ahead on a project that would further centralize benefits. Eventually, the East By-Pass was dropped from the state system. Though the department was ideologically opposed to rail transit, the basis of its unwillingness to act was financial. Acutely aware of the crucial political support for the highway program provided by the downtown coalition, the department would have accommodated rails if financing had been available.

Badly burned by three successive defeats, Petree's MTTC adopted a new approach to the transit issue. They now said that a comprehensive study ought to precede the formation of a transit district. MTTC asked the Los Angeles County Board of Supervisors to allocate money for a study and to create an advisory group composed of the presidents of the major California universities, whose purpose would be to define the nature and extent of the study and to recommend who ought to do it. The board agreed, allocating $300,000 and appointing a committee composed of representatives from the University of California Berkeley and Los Angeles campuses, the California Institute of Technology, the University of Southern California, and Stanford. While waiting for a study, downtown business groups focused their political activity on accelerating the freeway construction program and expanding the use of express buses on the freeways (Los Angeles Metropolitan Traffic Association 1951, 1953, 1955).

As they had in 1948, however, San Fernando Valley activists refused to place the rail transit issue on the back burner. A state assemblyman representing the Valley told CPUC that the assembly had created two special interim committees to examine transport problems in the Los Angeles area. He asked CPUC to deny PE permission to abandon any rails until these two
committees—both products of Valley initiative—had a chance to complete their work. The assemblyman held out the possibility that the state legislature would create a transit district at its next session and that PE rights-of-way would be key elements in any program a new district might adopt (CPUC 1949).

In May 1950 CPUC finally issued its decision on PE’s proposed modernization program. CPUC (1950, 661) decided that “we must come to the very realistic conclusion that any rehabilitation of present facilities, or any other substitute plan, would require substantial sums of additional capital.” Since the rail rapid transit movement had been defeated, “on this record, there is none, other than applicant [PE], who has come forward with any practical method of obtaining such financing.” Reflecting the constraints of the regulatory process, as well as the political stalemate that prevailed in Los Angeles County, CPUC—though clearly reluctant to do so—authorized much of what PE had requested. However, in deference to the two state assembly committees and the county supervisors, CPUC ordered PE not to take any action for one year that would dispose of any of its existing rail rights-of-way. All PE rail routes that could conceivably have a role to play in a rapid transit program were granted a reprieve.

Shortly after CPUC acted, the University Presidents’ Advisory Committee on Los Angeles County Transportation Problems reported to the Los Angeles County Board of Supervisors. They argued that a comprehensive study of all aspects of the growth of the Los Angeles region and its transportation needs ought to be done, pointing out, however, that such a study would take several years and would cost several times more than the county board had allocated. A first-phase survey, lasting about one and one-half years and costing about $350,000—not much more than the board already had allocated—was recommended as a critical beginning step (University Presidents’ Advisory Committee 1950). The supervisors requested that members of MTTC meet with the board and the University Presidents’ Advisory Committee to discuss the report. The sense of the MTTC group was that all of those present at the meeting had agreed that the unexpended balance of the county’s allocation—a approximately $290,000—be carried forward into the next fiscal year in anticipation of the first-phase survey. Much to the consternation of MTTC, however, the county supervisors failed to include the allocation (Los Angeles Chamber of Commerce 1950).

The state assembly committees submitted preliminary reports during 1950. One report summarized testimony they had gathered at public hearings around the metropolitan area. These hearings had, once again, brought to surface the conflicts that RTAG’s downtown-oriented rail rapid transit plan
had generated (California Assembly 1950a). The other concluded that a freeway-based bus system was the most practicable form of transit for the region (California Assembly 1950b).

Undeterred, a coalition of San Fernando Valley developers and monorail-equipment-manufacturing firms sought a transit district law during the 1951 legislative session. They succeeded in securing passage of the Los Angeles Metropolitan Transit Authority Act. However, this agency so clearly embodied the conflicts present in the region that until the 1951 statute was amended by the legislature in 1957, the agency was thoroughly paralyzed (Adler 1987).

THE TRANSFORMATION OF PACIFIC ELECTRIC: PART TWO

In May 1951 PE was granted permission by CPUC to abandon rails on one of the lines that had been included in RTAG’s proposed system (CPUC, 1951). Before PE applied to substitute buses for trains on any of the other possible rapid transit routes, all of its passenger operations were sold in 1953 to Metropolitan Coach Lines (MCL), a transit company owned by long-time NCL associate Jesse Haugh. As part of the purchase agreement, PE and Haugh agreed to seek the substitution of buses for rail on all remaining passenger lines. Los Angeles Board of Public Utilities and Transportation staff noted that passenger train delays on tracks shared with freights continued to be a serious problem, especially on the heavily used lines to the south (Los Angeles Board of Public Utilities and Transportation 1953). Haugh first sought to substitute buses on the remaining rail lines that used the one-mile stretch of subway in downtown Los Angeles that PE had built in 1925. These trains had been key elements in RTAG’s plan. This proposal rekindled activism on the part of downtown business groups that did not want to lose the only stretch of grade-separated exclusive transit right-of-way in the region.

Responding to these concerns, the Los Angeles City Council requested that a decision be postponed pending the completion of a study to determine the costs and benefits of reconstructing the tunnel and related station facilities for possible use by buses and trolleys, as well as by streetcars. CPUC agreed to wait; however, they permitted abandonment when the city failed to act following the conclusion of the study, which showed reconstruction costs ranging from approximately $1.2 million to $3.8 million. CPUC did require that MCL keep the rail right-of-way for an additional six months. MCL and PE guaranteed that the private rights-of-way and the subway facilities would
be available to the city at a reasonable cost for one year (CPUC 1954). No action by the city was forthcoming.

Haugh next applied to abandon the Southern District rail lines, which also had been key elements in RTAG’s proposed system; these were the last remaining PE rail routes. CPUC initially refused, largely because the substitute bus service would be inferior. An important concern was that freeways that could provide for express service were not yet available. However, as more freeway miles were opened, CPUC granted permission on a line-by-line basis (CPUC 1955, 1957). Before MCL filed and the commission considered applications to convert the last few of these lines, the Los Angeles Metropolitan Transit Authority (LAMTA) purchased MCL’s operations. LAMTA expanded freeway express bus service to downtown Los Angeles when it took over. However, LAMTA continued to have problems with PE regarding competition between remaining passenger trains and freights. LAMTA was also eyeing other tracks PE used for freight for possible inclusion in a rail rapid transit proposal it was developing. PE resisted this last incursion; LAMTA abandoned the last of PE’s passenger rail lines in 1961 (Merritt 1959; California Assembly 1960, 26-34).

FACT OR FICTION? THE STORY OF THE RED CARS VERSUS CLOVERLEAF INDUSTRIES

In *Who Framed Roger Rabbit?* Judge Doom, sole stockholder in Cloverleaf Industries, has a vision of an automobile-based paradise. It is 1947, and he has seen a Los Angeles City Council construction plan of immense proportions. The council was calling it a freeway, and it had eight lanes of shimmering concrete from Hollywood to Pasadena. Doom envisions gas stations, inexpensive motels, fast food restaurants, tire salons, auto dealerships, and billboards all along the freeway, enticing people who are forever getting on and off that 75-mile-per-hour magic carpet. Just before Doom is about to slice Detective Eddie Valiant into pieces, Valiant counters that no one will drive the freeway when they can take the Red Car for a nickel. The Red Car, of course, was the PE railway. Earlier, Valiant had answered a kid who had asked him if he had a car that people in Los Angeles did not need a car because they had the best public transportation system in the world. Doom shot back that he — Cloverleaf Industries — had bought the Red Cars in order to dismantle the system. People would *have* to drive on the freeway; there would no longer be an alternative. After Valiant, Roger, and Jessica finally
triumph over Doom, Valiant is relieved to conclude that the crazy freeway idea could only have been cooked up by a 'toon.

Bradford Snell does not appear in the credits, although it seems clear that in one way or another his PE history had informed the filmmakers; "Cloverleaf Industries" dramatically evokes his thesis. It is not surprising, given the personal tragedies Detective Valiant had to endure, that he did not seem aware of the fact that downtown—and Hollywood—business groups had been leading supporters of freeway building, along with local government political leaders, planners, and engineers, since the war years; that by 1947 the Hollywood Freeway had been under construction for several years; that many thousands of people had been displaced to make way for this and other freeway projects around central Los Angeles; that the California legislature was in the midst of (or had just concluded) an extremely controversial special session devoted to massively accelerating the freeway-building program; and that CPUC files had been bulging with complaints about the poor quality of PE rail service for many years. That Doom is also unaware of these facts likely reflects Snell's influence on the filmmakers.

Snell's PE history is an amalgam of errors of commission and omission. The mistakes regarding local versus interurban rail lines and shared trackage are examples of errors of commission. Those involving the significance of PE's freight operations, its deteriorating physical and financial condition, and its actions to substitute buses for passenger trains before the claimed GM-NCL intervention are examples of errors of omission. His flawed political analysis follows from another omission: the lack of awareness that there had been a substantial local political movement that sought to incorporate PE rail lines into an extensive rail rapid transit system.

The alternative account offered here stresses the political conflicts involved in the formulation of an industrial policy for the urban transport sector at the metropolitan level. These conflicts were rooted in spatial competition, which, in turn, was structured by capital mobility. It is the nature of transport projects to create location advantages for some places and to disadvantage others. The major projects at issue during the postwar period were intended by their sponsors to alter radically the distribution of accessibility and reception capacity across the metropolitan landscape; they were intended to shape the pattern of land development, rather than merely accommodate marketplace trends. Whitt and Yago (1985, 39) wrote that "government . . . commonly has not addressed the larger issue of the overall relation between transportation and city development." There are ambiguities in the formulation: Which government? What does "overall" mean? In the Los Angeles region, many governments sought to address precisely this relationship.
Coalitions of place-rooted actors — investors and their political and technical allies — continually sought to deploy transport — all modes, in a variety of institutional forms, including profit-seeking corporate and governmental — to persuade mobile capital to invest in their place. In the context of explosive peripheral-business-center growth and relative central business district decline, the transport projects sponsored by downtown Los Angeles activists generated intense controversy. Competition between these coalitions prevented the emergence of a government agency sufficiently powerful to impose upon the region a downtown-oriented rail transit program, which would have included upgrading the Pacific Electric Railway.

NOTE

1. The financial devastation wrought by the growing concentration of transit patronage in the peaks and the consequent unwillingness of privately owned transit companies to expand and upgrade peak-period services significantly rent asunder the historic alliance of downtown business groups, central-city political leaders, transit investors, and suburban residential developers. This alliance powered the city-building process during the first two decades of the twentieth century; PE’s Huntington and his associates constituted the alliance during its historic period and were its boldest expression (Fogelson 1967; Cheape 1980; Holt 1974). Transit companies were now financially exhausted; their street-running rail and bus lines were hopelessly ensnarled in traffic. This was occurring just as the provision of peak-period express service was coming to be seen as the defining feature of a progressive transit operation and a survival issue for downtown investors and allies confronted with increasingly intense competition from suburban office and commercial centers. Interestingly, the St. Louis transit operation, one of the “brightest stars in the National City Lines firmament” (“The showpiece of the transit industry” 1956, 27) was widely regarded as “the showpiece of the transit industry” because of the extensive number of express bus routes and related special services the company supplied and its leading role in calling for municipal help to expedite the flow of transit vehicles on city streets and highways. The demand for peak-period express service capable of rapidly transporting people over metropolitan-scale distances — both by rail and by bus and automobiles on freeways — galvanized downtown business groups, city government officials, and their residential development associates into political action in Los Angeles and in cities throughout the United States.

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