

## A REGULATOR/RAILROAD REVOLVING DOOR?

As to the so-called revolving door, in forthcoming book, *Railroads & Economic Regulation*, to be published this summer by Simmons-Boardman Books, *Railway Age* Capitol Hill Contributing Editor Frank N. Wilner reports that since 1887, of 116 Interstate Commerce Commission (ICC) and Surface Transportation Board (STB) members, 26 (22%) subsequently accepted employment with carriers they previously regulated.

Wilner specifically does not suggest a quid-pro-quo nor any evidence of one, but does note that, in many cases, the voting records certainly pleased railroads.

For example, he reports that of 193 votes cast by former ICC and STB Chairman Linda J. Morgan involving Union Pacific (UP), 82% favored UP “regardless of whether the opponent was a shipper, a shipper association, a government agency, a labor union, another Class I railroad, or a smaller regional or short line railroad. In 37 cases where the choice was UP or another Class I railroad, Morgan voted in favor of UP 73% of the time.” She subsequently was hired as a Union Pacific Washington legal counsel.

Wilner’s book provides the following list of ICC/STB regulators subsequently hired by those they regulated:

- **ICC Commissioner Aldace F. Walker** became president of the Inter-state Railway Association and then president and later chairman of Atchison, Topeka & Santa Fe Railway.
- **ICC Commissioner William J. Calhoun** became Baltimore & Ohio Railroad legal counsel and an Indiana, Illinois & Iowa Railroad board member.
- **ICC Commissioner Clyde B. Aitchison** became American Trucking Associations outside legal counsel.
- **ICC Commissioner Mark W. Potter** became a receiver of bankrupt Chicago, Milwaukee & St. Paul Railroad.
- **ICC Commissioner Ezra Brainerd Jr.** became Baltimore & Ohio Railroad outside legal counsel.
- **ICC Commissioner J. Monroe Johnson** became assistant to the president of Atlantic Coast Line Railroad.
- **ICC Commissioner Anthony F. Arpaia** became a vice president of railroad-owned REA Express.
- **ICC Commissioner Owen F. Clarke** became a vice president of the Chesapeake & Ohio Railroad.
- **ICC Commissioner Howard G. Freas** became an assistant to the president of the Southern Railway.
- **ICC Commissioner Everett Hutchinson** became president of the National Association of Motor Bus Operators.
- **ICC Commissioner Robert W. Minor** became a vice president of New York Central Railroad.
- **ICC Commissioner William H. Tucker** became a vice president of Penn Central.

- **ICC Commissioner Dale W. Hardin** became president of Wheaton Van Lines.
- **ICC Commissioner Charles A. Webb** became president of the National Association of Motor Bus Operators.
- **ICC Commissioner Betty Jo Christian** became Burlington Northern Railroad (BN) outside legal counsel.
- **ICC Commissioner Thomas A. Trantum** assisted in the start-up of 713-mile regional railroad Gulf & Mississippi and became its CEO.
- **ICC Chairman Darius W. Gaskins** became BN chief marketing officer and then CEO.
- **ICC Chairman Reese H. Taylor Jr.** became a CSX consultant.
- **ICC Chairman Heather J. Gradison** became a board member of short line holding company RailTex.
- **ICC Commissioner Karen B. Phillips** became a lobbyist for the Association of American Railroads (AAR) and CN.
- **ICC Commissioner Jacob J. Simmons** became a CSX consultant.
- **Surface Transportation Board (STB) member William Clyburn Jr.** became a Norfolk Southern lobbyist and performs consulting work for Kansas City Southern.
- **STB Chairman Linda J. Morgan** became Union Pacific outside legal counsel and later became a Canadian Pacific Railway board member.
- **STB Chairman Roger Nober** became BNSF chief legal officer following a year as its outside legal counsel.
- **STB member Frank Mulvey** performed consulting work for Norfolk Southern.
- **STB Chairman Charles D. Nottingham** performed consulting work for Norfolk Southern and Canadian Pacific.

In defense of the revolving door, Wilner quotes from an Aug. 15, 2005, email from former STB member Frank Mulvey: “People from the private sector bring expertise to the government when they take these jobs, and they bring a knowledge of the workings of the regulatory process when they go from government to the private sector.”