heard, was still in the black. The railroad does not expect it to remain so, once the Interstate Freeway System is completed between Chicago and New Orleans. It gets an advantage from the fact that relatively little of that segment of the Interstate Freeway System currently is completed.

Mr. WATSON. Professor, we certainly thank you. It is obvious that you have a real knowledge of this field. I thought it was interesting when you said that there are some things that you would like to have but apparently the demand is not there.

I do not know who the composer of the particular symphony is that you had in mind, but I am reminded of the fact that I used to enjoy minstrel shows; but apparently we are not able to see those nowadays. A lot of things are dying out with the passage of time.

Mr. HILTON. I think the analogy that I made, not in my prepared statement but speaking extemporaneously, to the night boats which were formerly a rather prominent form of transportation, on which I recently completed a book, is the closest. They were an extremely comfortable form of transportation which a great many people enjoyed as a matter of consumption. They were even more than the passenger train, however, slow, inflexible, limited in destinations, and extremely intensive in their use of labor services; and, so, for the same reason, they passed out of existence. They did so more rapidly, partly because exit from the activity was not limited.

Mr. WATSON. Thank you, sir.

Mr. ADAMS. Professor Hilton, I gather probably your field is transportation.

Mr. HILTON. Yes.

Mr. ADAMS. Do you agree with the proposition that when you have a monopoly situation you will generally have inflexibility on matters of market conditions?

Mr. HILTON. I am not certain that I understand what you mean by flexibility and market conditions.

Mr. ADAMS. In other words, when you do not have the ordinary laws of supply and demand operating and you have a monopoly situation in effect, you generally get more inflexibility in meeting the requirements of market conditions than you do when the law of supply and demand is functioning at its fullest through competition.

Mr. HILTON. So far as I understand the nature of your question, so far as I understand what you mean by inflexibility, I would have to give the answer of "No."

I would deny that there are any significant monopoly elements in the railroad industry. It may be true that there are still certain commodities which appear to have no obvious substitute for railroad service, notably very low value ores, such as copper ores, which are also fortuitously found in very arid areas which accordingly have no water transportation. This is a very shortrun view, to say that there are no alternative means of transportation.

At any given time in the history of the railroad, one would have said this about a large number of things—cattle, for example. Cattle shipments have now fallen so low on railroading that they averaged, the last time I looked, 800 per week.

At the time the Interstate Commerce Act was passed, it was thought that oil shippers had no alternatives. Crude oil could not travel in any