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REMARKS OF ALAN S. BOYD, SECRETARY OF TRANSPORTATION, PREPARED FOR DELIVERY AT THE ANNUAL DINNER OF THE SAN FRANCISCO BAY AREA COUNCIL, FAIRMONT HOTEL, SAN FRANCISCO, CALIFORNIA, AT 7:00 P.M. APRIL 28, 1967

An ancient Greek philosopher spoke of reality in these deceptively simple terms:

"All things which are, or have been or will be, exist either by nature, or by art, or by chance."

These words of Plato have led me to speculate on the accidents of history that gave birth to our nation along the East Coast, with some original States that are actually smaller than your San Francisco Bay area.

If by chance our continent had been settled from west to east, all of New England would probably be one State. And California might now be divided into six or seven separate States.



Under those circumstances, San Francisco, not New York might now be the biggest city in America.

I am aware of considerable local sentiment that San Francisco has always been the best. And I must say, if the group sponsoring this splendid dinner continues its very sound planning and developmental effort, all other regions of America may have to concede that point by the end of this century.

You have achieved a unique style. But things which are one-of-a-kind are often misunderstood. In my opinion, this area has always been difficult for an outsider to see objectively, realistically. There is a strong temptation to attribute your success to the inherent attractions of physical setting and natural environment.

This is a partial fallacy, at the very least.

In some ways, your physical setting has been, and remains, a very hard one to cope with. I need only mention the hills, from a pedestrian point of view.

Or, in a much more important sense, the rigors of your job market as viewed by men of no special skill.

The success of this area, to my mind, is based on the unusual character of its inhabitants.

Yours is indeed a unique environment, gracious and charming, but basically not easy. It has taken several generations of painful experimentation for you to learn its true advantages.



With these considerations in mind, I have looked forward to this evening with members of the San Francisco Bay Area Council as an opportunity for serious discussion of another difficult environment that is also very widely misunderstood. I refer to the environment of transportation.

The transportation environment in the United States is unlike that of any other nation in the world. Moreover, it is unlike any other set of circumstances in the United States.

Whenever intelligent people have to think about transportation for the first time, they usually begin with a simple idea, like something being moved from here to there. Then, almost immediately, they find themselves entangled like old Laocoon in economics, technology, regulation, bureaucracy, labor, subsidy, industrial development, social planning, tax policy, and national defense. After that, the notion that anything can ever be moved from here to there seems sheer romanticism. Frustration sets in and then perhaps a spirit of rebellion.

I'm reminded of the public service advertisement I saw recently in a Washington, D. C. bus. There was a picture of a computer brain, and underneath it the question, "What will you do when this circuit learns your job?"

Alongside it, a passenger had scrawled the appropriate answer: "Become a circuit-breaker."



Unfortunately, our great metropolitan centers aren't allowed to make a comic response to questions about their civic future. For most central cities, transportation is a sheer survival question.

I do not mean public transportation alone. I do not mean private transportation alone. I mean transportation as it actually exists in our country. Which is to say, in a remarkable hybrid form.

You and I pay for our transportation in an intricate way which rather blurs the philosophical meaning of ownership. We have evolved, in our society, a special technique of combining public and private investment. One not only complements the other; in some cases, one actually makes the other possible.

This blending of private and public money has helped produce a national transportation system superior to that of any other country. But one of the minor drawbacks of our uniquely American approach is that it tends to obscure the real costs of movement.

Perhaps no freight rate or passenger fare being charged today reflects the actual costs of transportation. This is so because the local, State and Federal Governments are always bearing some part of the burden. That is to say, the taxpayers are.



Almost all of the 94 million cars and trucks in America are privately owned, but the highways and streets are publicly maintained.

All of the nation's barges and towboats are private property, but the canals and rivers are kept navigable by the Corps of Engineers.

All U.S. airlines are competing private enterprises, but all the major airports are publicly maintained, and the air routes are assigned by a Federal agency.

America's ocean-going vessels are privately owned, except for some military supply ships, but the great harbors and port facilities are a public investment; and the U.S. Coast Guard keeps watch over icebergs and other sea hazards.

Exclusive of mass transit and military, almost all transport vehicles in this country are private property, and the routes over which these vehicles operate are public property. That is the rule.

The one major exception is the railroad right of way. Historically, of course, most of the railroad rights of way originated in public land grants.

So, the pattern is clear. Our nation has agreed, on public policy grounds, to provide the basic route support for each of the emerging transportation technologies.

That is pretty much the way it has been for over a century and a half.



Now, obviously these modes would have been able to operate on some basis without the public contribution. But not, I believe, on the present scale, and probably not at their current level of mechanical refinement.

For the lump-sum investments required for highways and harbors and canals and jet airports are not only beyond the usual means of private companies. Considering other expenditure priorities, they are also, at times, beyond the means of the U. S. Government.

The total transportation investment in America, by private firms and individuals, and by all government jurisdictions combined [local, State and Federal], is of the magnitude of \$425 billion.

If passenger fares and freight rates and car ownership had to reflect the full cost of this national transportation system, in the short run, I think there would be a lot less personal travel and freight movement in America.

Broadly viewed, there are three major elements which shape the American transportation environment.

One is our basic freedom of movement, our mobility.

This is a political right as well as a social value, and it supports the reality of a mass market over a vast territory, free of the Old World barriers to travel and commerce. We have an unbelievable amount of movement in America. For example, in 1965, our cars, buses, trucks, trains and aircraft made over 107 billion trips.



The second important element in the transport environment is our system of private ownership and competitive free enterprise.

This is a very profound and pervasive style in our society, which reinforces our dominant moral and ethical concepts. Though somewhat blurred in the operations of the carriers themselves, it is powerfully displayed by the great users, the shippers, as well as transport equipment manufacturers.

The third major influence on our transportation environment is the intervening authority of government, any level of government.

I have already touched on the classic partnership that exists between public and private investment. You can view this as a form of subsidy. But the power to give or withhold a franchise or license, and the power to set operating rules and standards, is a far more fundamental role.

Here, government is an instrument for the protection of the community's total interests. Government, at the same time, may be actively promoting the community's major economic, social, cultural and political goals.

The interaction of these various forces, over a length of time, produces a very complex landscape of transportation institutions.

Regulatory agencies are perhaps the most prominent features on this landscape. Each has an individual profile.



The Interstate Commerce Commission is primarily involved in economic regulation, protecting the public, and parts of the transportation industry itself, from abuses of economic power. The Civil Aeronautics Board has that responsibility plus an assignment to promote portions of the aviation industry through subsidy programs. The Federal Maritime Commission is also involved in economic regulation, but responsibility for industry promotion rests with a non-regulatory agency, the Maritime Administration.

Quite prominent on the transportation landscape have been the government agencies, like the Maritime Administration, and the U. S. Coast Guard, and the St. Lawrence Seaway Development Corporation, and the Corps of Engineers, which maintain different facets of what is broadly a single transportation mode.

Then there are literally scores of other Federal transportation offices, boards, activities and jurisdictions which are less visible to the public, and vary in size and scope, but which--depending on where you stand--may have simply enormous importance. I'm thinking now of the Alaska Railroad, and Great Lakes Pilotage, and Highway Beautification, and Motor Vehicle Safety Standards, and on and on.

Of course, the largest, and I would like to feel the most significant, feature on the transportation landscape is now the Department of Transportation itself. It was created



by an act of great determination and imagination on the part of President Johnson and the 89th Congress. In brief, this act placed the Bureau of Public Roads, the Federal Aviation Agency, the Coast Guard, and most other non-regulatory transportation activities of the Federal Government under one jurisdiction.

They were united in one Department because the nation had finally / <sup>appreciated</sup> that all forms of transportation are interdependent. We see that some modes depend on one another directly; that a majority compete with one another; but that all have an effect on one another.

For that reason, no single mode of transportation can hope to make much further progress, entirely by itself. There has to be some degree of coordination, some serious thought about the total transportation system. Otherwise, we would end up multiplying existing transportation problems.

The Department of Transportation's mission is to formulate and recommend to the President national transportation policies that will best serve the public interest. We are working to bring on transportation progress. We are trying to arrive at an optimum transportation system for this nation--one that is fast, safe, efficient, convenient and economical. And one that will also preserve community values and the natural beauty of the countryside.



Policy is of course an abstract term, unlikely to engender much public interest. But the public can always recognize when transportation service is good or bad.

It knows instinctively that bad service is a civic disaster.

And it understands only too well that the social costs of transportation, though hard to quantify, and not reflected in any passenger fare or freight rate or vehicle operator's expense sheet, are being paid by the community.

Air pollution, traffic congestion, traffic accidents, noise, dirt, ugliness, disruption of neighborhoods...

Unfortunately, these are also a part of America's transportation environment. They are the part which all of us want to eliminate or minimize.

In fact, President Johnson's instructions to the new Department of Transportation, on the occasion of its formal activation on the first day of this month, were to give the highest priority to solution of the social problems generated by transportation. Especially in matters of safety.

I don't think there is any adequate way within the bounds of decorum for me to express my eagerness, or the eagerness of my staff, to get on with that particular job.

But these problems are just not soluble in one bucket of water. We cannot eliminate pollution, congestion, accidents,



and all the rest, with a great sweeping gesture. These evils are intertwined with vital community interests; they must be disengaged with the least possible injury to society.

By Draconic measures, any city can dispose of such problems very quickly. For example, by forbidding trucks and automobiles on city streets. A lot of people and a lot of industry might choose to move elsewhere. The city might die, in fact, before horses and electric cars/<sup>again</sup>became feasible for local use. But the original problem would no longer exist.

Some such measures are conceivable on a national scale as well. The Federal Government could inform the automobile manufacturers that every theoretical safety feature proposed by our engineers must be incorporated in next year's model. That would sure stop the production of cars that didn't meet our safety standards. It would stop the production of cars, period. Because Detroit just might have to shut down for two or three years while converting to the new standards.

I think the point is pretty obvious. We have to push hard for every transportation improvement which is reasonable to expect. We can even afford to be somewhat unreasonable in such demands, because America is a land that hates to call any job impossible. Yet we do have to accept certain limitations. Transportation, as I said, is a \$425 billion investment; it has a lot of inertia. We can turn it about eventually, with patience and persistence and persuasion.



It is not going to be done by the power of Federal spending. The \$6 billion your national government is investing in transportation annually doesn't represent much leverage alongside that other figure. As a matter of fact, the State and local governments, combined, are spending twice as much on transportation works as the Federal Government.

Furthermore, within the existing framework of Federal grant-in-aid programs, the Federal government lacks authority to invest in transportation route facilities without State and local cooperation. I mean this quite literally. No administrator in the Department of Transportation can force a project on any State or municipality. Vigorous local objections can stop any Federal project dead in its tracks.

In the highway field, the quality of a Federally-financed project is rarely any better than the quality of local and State plans.

Urban highway designs do not originate in Washington, D.C. They are drawn up by State and city engineers. Afterwards, they are submitted to the Federal Highway Administration for approval.

Our highway agency, like every other Federal agency, is governed by standards as well as financial constraints. These often lead to suggestions for modification of plans;



but usually in minor details only, since the State and city engineers are professionals who thoroughly understand government specifications.

These suggestions, when they are made, reflect our Highway Administration's preference--not for the most economical solution, necessarily, but for the best feasible solution.

Unless it is a matter of meeting minimum construction standards, no locality has to accept our modifications as a condition of approval. If a State or local jurisdiction wants to stick with its own plans, the Federal Highway Administration follows this permissive policy:

Where the local plans cost no more to execute than our agency's recommendation, we participate to the full financial extent allowed by law. But where the local plans cost substantially more to execute than our own "best feasible" version, then the Federal share remains what it would have been to construct the Federal version, and the community is asked to absorb the extra cost.

I feel obliged to go into this technical matter because of several problems of this nature that have arisen in connection with the Embarcadero Freeway and the Crystal Springs Reservoir highway.

My instructions to the Federal Highway Administrator are in the closest possible accord with Mr. Bridwell's own



sentiments, and those of our staff in the San Francisco area, which are to work with your city and State officials to achieve a satisfactory resolution of all such problems.

There are, of course, other transportation needs of the Bay Area which demand attention, for which the Department of Transportation may be able to provide assistance. We invite your specific proposals to improve this area's mobility.

Lacking expert knowledge of this community, I would hardly presume to offer advice. But I wonder at the absence of water taxi and commuter ferry service in an area that is unified, as yours is, by the concept of a great bay. And where the investment choice may lie between the cost of a new bridge and the amount of subsidy required to keep a private fleet in business, it seems to me that water transit may be worthy of renewed consideration.

Having budget problems of my own, these days, I am more than ever impressed with the need to search out economical alternatives. In the words of one of the Congressmen I most deeply admire, George Mahon, we must try...

"To look at all demands objectively with the attitude that not everything is essential or indispensable. For with public money hardly ever in sufficient abundance to cover all that is desirable, a first and foremost function is the allocation of resources among competing demands--setting priorities of purpose and amount."



Unless transportation is channeled, unless the forces of mobility are harnessed to intelligent purposes, made to serve the best interests of society, that dynamism can tear a community apart.

I think your community is to be congratulated on its support of the Bay Area Rapid Transit District. The advanced concepts embodied in BART will, I am confident, be integrated into the transportation systems of other great metropolitan centers.

Obviously, such undertakings require enormous capital. There must be priorities. No community can accomplish everything it wishes to accomplish, simultaneously. But by thoughtful assignment of those projects to some orderly sequence, reflecting their importance to our citizens, we can, in time, achieve all of our realistic objectives--and maybe some that are not so realistic, besides.

I am left with the feeling that the San Francisco Bay Area has only one fundamental problem. And that, in all candor, is not a problem that transportation should be asked to solve. It is the question of your identity.

There was a 15th century Italian philosopher, Pico della Mirand'ola, who expressed this notion with some eloquence:

"Thou, constrained by no limits, in accordance with thine own free will...shalt ordain for thyself the limits of thy nature. We have set thee at the world's center that thou mayest more easily observe what is in the world. We have made thee neither of heaven nor of earth, neither mortal nor immortal, so that...with freedom of choice and with honor, as though the maker and molder of thyself, thou mayest fashion thyself in whatever shape thou shalt prefer."



Tonight is one of those rare occasions when the leaders of a great community are assembled in one room, and the future lies within arm's reach.

You are the history makers. You have the power of decision. The progress and well-being of this city and its neighbors depend, to a profound degree, on your personal goals, on your personal values, on the quality of your taste and judgment.

With patience and well-conceived policy, you may shape the destiny your community, more nearly matching the reality of its achievements to the splendor of its aspirations.