

U. S. DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
Washington, D. C. 20590

REMARKS OF ALAN S. BOYD, SECRETARY OF TRANSPORTATION, PREPARED FOR
DELIVERY BEFORE THE NORTH CAROLINA WORLD TRADE ASSOCIATION, AT RALEIGH,
NORTH CAROLINA, JULY 26, 1967, 12:30 P.M.

I am delighted to be again in North Carolina. This is a state which,
like so much of the rest of the country, learned the hard way the
importance of transportation. But you learned well. And North Carolina
today is not only "The Good Roads State," it is a state with lively new
interest and pride in its ports and their potential. And it is a state
whose cities, I am told, are beginning to face squarely the problems of
urban transportation. Where urban affairs are concerned, yours is the
happy opportunity to be able to plan intelligently before your problems
become too large.

The last time I made a speech in North Carolina was in March of last year,
when I was Under Secretary of Commerce for Transportation. Public officials
probably shouldn't be allowed to quote themselves, but I would like to
recall some things I said that day.

The Department of Transportation hadn't been approved by Congress then, and I said: "We cannot deal with the total transportation system unless we have a department which will coordinate the various agencies involved in it." I said also that the federal agencies concerned with transportation seemed to be "going off in all directions without any relationship to each other."

And I said that if a Department of Transportation were established, and if its program were effective, "The expenditure would be the greatest investment this country has ever made."

Well, gentlemen, the Department of Transportation will be four months old next week. It is early for me to make sweeping promises. But I do say this. We are beginning to deal with transportation as a total system, and I think our program will be effective.

And one reason it will be effective is that we know we have no monopoly on solutions. I have said many times that the new Department of Transportation does not intend to try to solve problems that private industry can and will solve. The same policy will apply to state and local governments. There is a new understanding in Washington of how the federal government should work as a partner of state and local governments to help improve life for our citizens.

Call this "creative federalism," if you will; or call it simply cooperation. It is the kind of approach to which North Carolinians have always responded. It is no accident, I'm sure, that the first segment of highway to be opened to traffic in the Appalachian regional system is in North Carolina. And it is widely known that North Carolina helped set the pace for the nation in construction of the Interstate Highway system, another great federal-state undertaking.

On March 30, 1967, President Johnson signed the executive order which brought the Department of Transportation into existence. The President gave me some specific instructions as to what the Department should begin immediately to do. There were five general items. Two of them had to do with transportation safety and the threat which transportation systems pose to the quality of our environment.

The President said also that I should -- and I quote:

"Enhance our foreign trade through improved connections with the larger systems of world transportation."

"Call upon the technological genius of this country to provide better roads and highways, vehicles which do not pollute the atmosphere, faster and more efficient modes of transportation."

And "Assist, in cooperation with the Agency for International Development, the less fortunate nations of this world to overcome their critical transportation problems."

Those are three tasks. Improve our capacity for international trade. Employ the latest technology in our transportation systems; and help developing nations with their transportation problems. I would like to tell you today how I think those three tasks are related, and how performing them will help the United States, including North Carolina.

In the Department of Transportation, our responsibilities do not stop at the water's edge. Neither do the interests of the transportation officials and the transportation industry of North Carolina. If they did, you would have far less interest in your ports and you would not be nearly as concerned as you are about connecting your ports with the central and western areas of your state.

North Carolinians have understood the importance of international trade since colonial times, when your state exported naval stores, tobacco and other products of this richly endowed state. The tradition persists, with your governors and business leaders working to make North Carolina an exporter to the world.

Now let me take one by one those instructions I have from the President. Technical assistance, or foreign aid, is a subject from which too many Americans turn too fast. They miss one crucial point about foreign aid. Our effort to expand foreign trade is tied in large measure to our success in helping the developing nations of the world achieve a high enough level of prosperity to purchase our goods.

Transportation's role is vital to the prosperity of these nations. The Agency for International Development in the State Department administers the technical assistance program of the United States. We of the new Department of Transportation intend to become the major transportation advisor to the Agency for International Development. We will consolidate the technical assistance functions of the various agencies that have provided transportation advice to the Agency for International Development in the past. This undertaking, we feel, will bring about economies in the technical assistance programs and, most importantly, will help assure the orderly development of transportation in the developing nations.

By no means am I suggesting that we intend to help each nation develop quickly a full-scale transportation system. In some cases, it may, in fact, appear that we are doing just the opposite. There may be times when a developing nation wants a new network of four-lane highways while we will argue instead for simply marking shipping routes on natural waterways. There may be times when a developing nation wants to establish an airline system, only to find us arguing that it should buy a fleet of

buses instead. In short, we intend to apply to those technical assistance programs which involve transportation the same standards of economy, coordination and orderliness that we believe should apply to public transportation expenditures in the United States.

The President instructed me also to assure that the most advanced technology that is available is used in the continuing development of transportation within the United States. We have thought a lot in our Department about how to accomplish this goal. Again, our thinking has not stopped at the water's edge.

Let us suppose that a Western European nation has developed a high-angle take-off airplane that would be ideal for short-range passenger operations in our crowded Northeast -- or that might be ideal, for that matter, for passenger operations between Raleigh and Charlotte, or between either of those cities and the Piedmont Triad of Greensboro, Winston-Salem and High Point. Or let us suppose that another nation has developed a new type of high-speed ground transportation system in which an American corporation or a group of American cities might be interested.

Why should we in the United States not take advantage of those advanced transportation technologies in other nations, in return for their taking advantage of our advancements? In the Department of Transportation we

are establishing a small organization which we are calling the Office of Industrial Cooperation. Its job is to learn, by all available means, what transportation technology developed abroad would be of value in this country. And its job is to work out the agreements which I believe can lead to significant economies of both time and money as we in this nation seek to solve our transportation problems.

In some cases the Office of Industrial Cooperation will be looking for simple international exchanges of technical data. In others it will seek contract agreements -- always reciprocal -- which could lead to joint research, joint development and perhaps even joint production of transportation systems. The benefits are obvious.

Millions of dollars are spent each year in this nation for transportation research and development, and similarly large amounts are spent in other developed nations. If we pool our resources, every nation involved can profit.

In the early stages of this undertaking, no doubt most of our efforts will be directed toward cooperation with the Western European nations

and Japan. But we will not ignore other nations -- the Soviet Union, for example. We in the Department of Transportation are perfectly willing to talk to the Russians if we can take advantage of some of their transportation advances. Soviet achievements in cold-weather transportation, in the use of lighter-than-air craft, in tunneling techniques for subway construction are well known in the transportation community. Wherever there is something to be taught about transportation technology, we in the Department of Transportation are willing to make the effort to learn.

The military establishments of the Western nations have tried many times in recent years -- but usually with little success -- to cooperate in the development of new weapons and new military vehicles. Security requirements and, sometimes, mere petty nationalistic jealousies have hampered those efforts. We in the transportation business are free of many of those concerns. So the Department of Transportation is prepared to cooperate with other nations in transportation development because we feel an obligation to the American taxpayer to do so.

President Johnson instructed the Department of Transportation to use its resources for the enhancement of foreign trade. Transportation is only a servant, but its services are vital to international trade. Our technical assistance program and our industrial cooperation program are, we think, key elements of our broad effort to facilitate trade through better transportation systems and techniques.

And now let me turn to one additional phase of our international trade effort within the Department of Transportation. It is an undertaking which, I'm sure, some of you will consider more pertinent, and closer to home. I am told that in 1966, the total world trade of North Carolina reached a level of well over a billion dollars. That is a remarkable achievement. It reflects the energy and the progressive spirit which have long existed in North Carolina and which exist today.

But your manufacturers have a problem -- a problem common to industries all over the nation. Too many American manufacturers, large and small, stay out of import and export trade simply because of the complexities and the cost of the paperwork involved in international trade. These costs sometimes reduce profits to the point that producers can't afford foreign trade.

The problem is recognized at the highest level of the Federal Government.

In March President Johnson said, and I quote:

"We have mounted a sizeable Government-industry program to expand exports; yet we allow a mountain of red tape paperwork to negate our efforts."

The Department of Transportation is responsible for attacking this mountain, and we have formed within the Department an Office of Facilitation, which is hard at work. In short order we will be proposing changes which would reduce the paperwork now necessary to international trade. We also are considering a great variety of ideas which look toward facilitating the movement of both people and merchandise as they travel across borders and as they shift from one kind of transportation system to another.

One of the real values of this facilitation effort is that it will help the small international shipper as well as the large one, the vacationer as well as the veteran businessman traveler.

In preparation for this trip I read some history -- some North Carolina history. I learned about your "Old Plank Road" from Fayetteville to Forsyth County -- the longest plank road ever built, a technological marvel of its day. I was reminded that North Carolina's Outer Banks are the birthplace of aviation. And someone pointed out to me a remarkable old law from North Carolina's colonial days. It is the Road Law of the year 1745. It provided that all new roads should be built to the nearest boat landing.

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In a way, that is what the Department of Transportation is all about. We do not recommend that all your roads be constructed in such a way as to connect with other systems of transportation. But we are at least as aware today as North Carolina's colonial governors were in the 18th Century of the necessity for coordinating transportation systems and facilitating -- the necessity to keep transportation systems from running off in all directions. International trade, especially, requires the coordination of transportation systems. I hope your interest in international trade indicates an interest also in the tasks of coordination and cooperation which the Department of Transportation has begun.

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