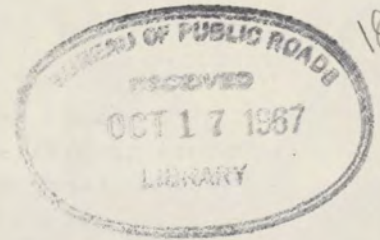


U. S. DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20590



REMARKS BY ALAN S. BOYD, SECRETARY OF TRANSPORTATION
PREPARED FOR DELIVERY BEFORE THE SIXTEENTH ANNUAL CONVENTION
OF THE MISSISSIPPI MANUFACTURERS ASSOCIATION AT THE
BROADWATER BEACH HOTEL, BILOXI, MISSISSIPPI
FRIDAY, OCTOBER 13, 1967, 7:30 P.M.

I am delighted to be here. It gives me the chance to meet with the men whose ability and initiative have contributed so much to the remarkable industrial growth of Mississippi in recent years. It enables me also to pay tribute to a truly great son and Senator of this State -- one of the most universally admired men in Washington -- John Stennis.

And it has been much too long since my last visit to Biloxi, which I have always considered one of the great port and resort cities of the nation and one of my favorite places -- even though I am from Florida.

Besides, if Senator Stennis hadn't so graciously invited me here I might never have found out -- as I did just recently -- that, in addition to the more well-known aspects of its resplendent past, Biloxi was the landing place for the first marriageable girls for the early settlers of this State.

This is, of course, not the only example of how important transportation has been to the growth of Mississippi.

In fact, one commentator has gone so far as to say that the whole "story of Mississippi's social and economic development can be outlined in its history of transportation."

Names like Natchez Trace...the Three Chopped Way...Gaines' Trace... the old Jackson Military Road...and/always, of course, the Mississippi itself -- it is names like these that conjure up and contain so many of the great events and adventures of the first few centuries of exploration, colonization and commerce in Mississippi.

At the turn of this century, it was the building of railroads through the forests that made possible the development of a large-scale lumber and timber-product industry in your Piney Woods region -- a development which represented your first major effort to shed the shackles of a one-crop economy.

But it was more recently that the sustained industrial surge that today still gathers momentum had its start -- in 1936 when Governor Hugh White inaugurated the BAWI (Balance-Agriculture-with-Industry) program, which the citizens of this State have supported so wholeheartedly and which each succeeding Governor has strengthened.

That program has worked not only because it was imaginatively conceived and energetically carried out, but also because the people of this State -- and its industrial and political leaders -- have fully recognized the importance of a balanced transportation system in any program of industrial development.

Indeed, the construction of a coherent network of modern, efficient highways was an essential ingredient in the early success of the BAWI program.

Pascagoula and Gulfport are only two outstanding examples of your recent efforts to improve your water transport facilities. And you have understood the importance of good aviation facilities, not only to serve your larger metropolitan areas, but to serve your smaller communities as well. For example, three of your communities -- Columbus, West Point and Starkville -- have pooled their resources to construct a single airport, called the Golden Triangle, to meet the aviation needs of each -- thus avoiding the duplication and expense of separate facilities and, at the same time, affording each a far larger and more efficient airport than any of them could have built alone.

These accomplishments -- in transportation and in industrial development -- have been the product, not of private industry alone or of government alone. They have instead been the product of a creative partnership between both government and the private sector.

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We have witnessed the emergence of this same kind of partnership on the national level over the past four years. During these years, the economic programs of the Federal government have been designed to enlarge the role of the private sector in the pursuit of our national economic and social goals, and aimed at insuring the prosperity of every sector of our economy and every section of our country by increasing in abundance of all.

Both government and business have proved themselves willing to revise old assumptions and to put aside old prejudices -- to work as allies rather than as antagonists -- to seek, not cause for senseless conflict, but common cause in the national interest. For both government and business have come to recognize some very crucial and inescapable facts of economic life.

Government has come to recognize and respect -- in deed as in word -- the primary role that private initiative and incentive and ingenuity must play if we hope to realize our economic potential and reach our national goals.

Business, has come to recognize and to respect the responsibilities of government in furthering the economic as well as the social and political welfare of the nation.

I am convinced that a parallel -- if less obvious -- change is occurring on the political level as well.

Not too long ago most American political opinion could conveniently -- and not too inaccurately -- be divided into two parts.

There were many who viewed our Federal government as at best a necessary evil which we needed for delivering the mail and defending the country, but which otherwise exhibited an inordinate appetite for expansion which had to be ruthlessly resisted.

And there were many who felt that our states and localities had long since either outlived their usefulness or abdicated their responsibilities as effective political instruments for meeting the critical needs of our citizens.

There are still some today who hold one of these extreme views. But their number -- and their influence -- has drastically dwindled.

The partisans of Federal effort have come to understand that Federal programs -- no matter how ingeniously fashioned or amply financed -- cannot succeed except through the state and local governments, the private institutions and individuals, which alone can make these programs relevant and responsive to local needs and local conditions.

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And the partisans of States rights have come to understand not only the need for greater emphasis on States responsibilities, but also the need for broad Federal programs to help attack a whole host of problems so acute and widespread that they have long since passed beyond the boundaries of purely state and local concern.

We have all begun to realize that the great public problems before us -- poverty, traffic jams, unemployment, inadequate education, crime, poisoned air and polluted streams -- that these problems have a way of ignoring all boundaries, of spilling over from one jurisdiction to another, of refusing to adapt themselves to the established pigeonholes of our organizational charts and political subdivisions, or indeed of our political prejudices.

The fact that a new political climate is emerging does not mean the climate will always be calm and sunny. We will have political storms as long as we need politics to negotiate among the contending interests in a democratic society and I hope that means for the life of mankind.

The new climate, for example, has not prevented debate over President Johnson's proposed tax surcharge. But the terms of the debate have tended to obscure the fundamental stakes in that debate because what is most visible is the exchange of words between the executive and legislative branches and not what provokes the argument, itself.

Prolonged and bitter debate over any subject damages a president. Prolonged and angry debate which finds a president on the side, not only of war but of higher taxes to see that war to victory can do more than damage -- it can destroy.

President Johnson is not blind to that fact. He knows better than any the price he is paying, personally, for insisting that we stay in Viet Nam until the world understands that principle and freedom are more than words in the United States. He knows, also, that he had a choice long ago between his own popularity and principle. And you know how he chose. He could have fallen back and let future generations learn for themselves that you cannot buy peace by sacrificing principle.

It is one of the great ironies of our time that so many of our generation -- a generation which learned that lesson the hard way -- have forgotten so soon. It is ironic, too, that so few of us have learned the difference between righteous indignation and leadership. It is just fortunate that the President remembers.

There is a domestic side to this argument which is not as visible as it must be.

That is the price we will pay at home for the defense of freedom abroad if we keep taxes at their present level.

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The tax increase recommended by President Johnson is essential to prevent a wage-price spiral, a return of tight money and rising interest rates.

As businessmen, you know what inflation would do to your companies:

- Higher production costs
- Excessive wage demands from workers whose real income would be dropping
- A profit squeeze
- And a deterioration of your competitive position in international markets.

Rising prices would affect the costs of state and local government and would require them either to raise taxes or to borrow to meet the higher costs.

Chairman Martin of the Federal Reserve Board has said there is nothing the system could responsibly do to avoid higher interest rates if there is no tax increase.

We do not expect the political climate which has produced the new Department of Transportation to give us sunshine every day of the year, either.

But we do expect to work within the framework set forth by President Johnson and we know that will be an improvement.

In describing his concept of "creative federalism," President Johnson said that "to survive and serve the ends of a free society, our Federal system must be strengthened -- and not alone at the national level...

"We began as a nation of localities. And however changed in character those localities become, however urbanized we grow and however we build, our destiny as a nation will be determined there."

As Chairman of the Senate subcommittee that weighs the appropriations requests of the Transportation Department, Senator Stennis recently listed the following as among the major criteria for evaluating our requests -- and I quote:

"...whether the efforts of this department...are building and operating the transportation system in a balanced partnership as between State, local, and Federal governments, so that each fully meets its own responsibilities, but also reserves responsibility and authority to the proper level and branch of the Government.

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"...whether the money appropriated...is used in a manner that promotes, preserves, and makes the best use of the free enterprise system in developing the transportation industry."

I know I speak for President Johnson as well as myself when I say that these standards shall rigorously rule every operation and endeavor of the Department of Transportation.

The job of the new Department is to furnish a national framework, a national focal point, for developing a coherent and cooperative approach -- involving all levels of our society -- toward insuring a transportation system that meets the total needs of our society.

It is not that we have done so badly in transportation. We have, in fact developed a transportation system far superior to any other in the world -- a system that unlike any other in the world is privately owned and operated and financed almost entirely by private investment.

The problem is simply that, in the decades ahead, we will have to do far better. And we intend to do better by supporting, not supplanting, private effort -- and by assisting our states and localities, not by ignoring them or usurping their prerogatives.

What, then, can the new Department do?

One thing we can do -- and are doing -- is to find ways of reducing the friction, the inefficiency and the unnecessary expense, in our transportation system at those points where they most often occur -- at the so-called transfer points where one mode ends and another begins.

We are studying, for example, the feasibility of standards on containerization -- something which affects all modes of transportation, whether it be trucking lines, railroads, airlines or merchant marine.

The problem is that there is a great deal of diverse opinion -- and diverse evidence -- about just what our standards ought to be. Nobody really knows what the answers are. I am convinced that there should be some sort of standardization, but that does not necessarily mean that everybody ought to fit into the same box.

Every once in a while, when my wife lets me do the shopping, I can go to the grocery store and buy a number two can of peas, or a number six can of peas -- in fact, I can buy canned foods in any number of sizes all standard. If we can do it with groceries, we can do the same thing with containerization.

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We are looking, to take another example, at ways of moving cargo over docks faster and cheaper. In several cities which are opening up new docks, we are working very closely with the responsible officials to try to make sure that there is good rail transportation available at these docks, and that connecting highways are designed and built not to interfere with railroad movements while at the same time enabling trucks to slip smoothly in and out of the docks.

Besides seeking ways of improving the operation of our transportation system, we are also exploring and encouraging the development of new technology -- financing pilot projects where the promise and the public need is great, and where private investment cannot do the job.

A third primary area of interest is, of course, safety -- in every mode of transportation -- and we are working closely with industry and with our states to make our system safer in all its aspects.

In these efforts, and every other we shall undertake, we are trying to do one basic thing: To look, and to try to get the country to look, at our transportation system in an entirely new light -- for the first time in our history, to see it for what it really is -- an integral and important part of the total life of our society, capable of immeasurably enhancing that life or of rendering it all but intolerable.

For this reason, our concern must center principally upon our urban areas -- in which three out of four Americans now live. And the proportion grows every year.

In most of our cities, we have built highway after highway to funnel car after car into our cities -- with little thought about what to do with these cars after they get there, or about how to make more efficient use of the roads we already have.

Now, we find we've paved our way into a corner.

We are working with cities, and with States, and with industry to find out what it is we can do to help them meet the public need for the best transportation we can build. And the results thus far have been encouraging.

In the city of Baltimore, for example, we are underwriting a revolutionary effort to design the city's freeways with the overall needs of the city in mind -- an effort that will involve the architects, the city planners, the economists, the sociologists, as well as the engineers.

We are also working very closely with the political leaders in our cities and counties and States. The reason is very simple: A transportation choice, as I have said, is a total choice -- it affects the

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total environment in which we live. If we are to make real inroads upon the transportation problems confronting us in this country, we must realize that a transportation decision is not simply a technical decision -- it is an economic decision, a social decision, a political decision. And those whom, through the political process, we entrust with the responsibility for making these public decisions must become involved -- as we all must -- in shaping the transportation system that serves our cities, our States and our nation.

This also means that our political leaders -- Governors, Mayors, and others -- are going to have to take far firmer hold of the decision-making reins on transportation issues in their jurisdictions -- and take hold at the outset, not merely at the end when an issue has become so critical that they can no longer avoid taking a stand.

The Department of Transportation will do all it can to help -- by working with those who are closest to the people and closest to the problems, the political and transportation officials in our States, our counties and our cities.

That is the only way we can build a transportation system that can keep America moving toward a society that will afford for every citizen every opportunity for a full and free life.

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