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REMARKS BY SECRETARY OF TRANSPORTATION, ALAN S. BOYD,
BEFORE THE EIGHTH ANNUAL WASHINGTON CONFERENCE ON
BUSINESS-GOVERNMENT RELATIONS AT THE PALLADIAN ROOM
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There's a passage in Alice in Wonderland that goes:
"If everybody minded their own business," said the Duchess
in a hoarse growl, "the world would go around a deal faster
than it does."

Most of us today are a lot less concerned than the
Duchess about how fast the world goes round. As far as
we know, it revolves today at the same rate of speed it
did one hundred or two hundred or three hundred years
ago. And unless it slows down or speeds up, it's not
likely to be a major issue.

But we do care about how fast the wheels go round,
any many of us find that minding our own business in the
morning and evening rush hours doesn't make them roll a
deal faster. In fact, studies have shown that in some of
our more congested metropolitan areas our superpowered V-8's
don't get us around any faster than the horse-and-buggy
did many decades ago.

We know that no matter how meticulously we mind our own business it still, all too often, takes us as long to go between city and airport on the ground as it does to go between city and city in the air.

And we know that, no matter how conscientiously we mind our own business, problems - that seem always of someone else's making - seem to mount and mushroom all around us: problems of poverty and slums, of delinquency and crime, of schools, of housing, or race relations, of traffic and transportation, of polluted air and water.

We have found, in fact, that the more we mind our own business the more acute and abundant these problems become - the more we try to avoid becoming involved the more they seem to ensnare and entangle us.

We have found, as well, that these problems have a way of ignoring all boundaries, of spilling over from one jurisdiction to another, or refusing to adapt themselves to the established pigeonholes of our organizational charts and political subdivisions, or indeed of our political prejudices.

These problems, in short, affect us all in common - and their solution will require that we act in common. And, as we are discovering, we cannot deal with any of these problems in isolation - the solution to one cannot successfully be sought without seeking the solution for the others as well.

The result is that neither in government nor in the private sector can we proceed with business as usual - or more accurately, business as it used to be; for relations between the public and private sector have undergone radical alterations during the decade of the Sixties.

For its part, the Federal government has deliberately designed its policies and programs - economic and social - to enlarge and enhance the role of the private sector in the pursuit of our national goals.

And for their part, the leaders of the business world have come to accept and exercise their responsibilities for helping solve the problems that confront cities and communities throughout the land as well as the nation as a whole.

Both government and business have discovered the remarkable feats they can accomplish when they work as allies rather than as antagonists - when they seek, not cause for senseless conflict, but common cause in the national interest.

And this is not simply a pious proclamation to be exceeded or obscured only by the paucity of our accomplishments. It is - and must increasingly continue to be - a fact of national life.

Recently Dr. Harvey Brooks - Dean of the Harvard Engineering School - put it this way: "One of the central issues of our time is how to deal with our pressing social problems, the problems brought about by the growth of population, urbanization and the rapid application and diffusion of technology itself. These are public problems. They represent needs that cannot currently be expressed in terms of a market demand that can be satisfied for somebody's profit."

"There is," he goes on to say, "no lack of ideas for dealing with many of these problems, but there is nothing analogous to the pull of the market to induce the development of solutions, or to do the sorting out of alternative innovations that is achieved more or less automatically through the probing of the market in the private sector."

Economists tell us there are two kinds of goods: private goods and social goods. Private goods each individual buys for himself is a matter of entirely free economic choice. Social goods we own and buy in common: like national defense, education, clean air, flood control and the like.

Not too long ago we could make fairly clear-cut distinctions between these kinds of goods and these kinds of choices.

But those days are gone forever.

As more and more people crowd into proportionately less and less space - so that it's getting hard to put your foot down without stepping on someone's toe - and as anything that happens anywhere in the world is only an instant electronic impulse away, we are beginning to find out that we are having to make more and more choices in common.

Each of us, for example, can buy his own suit of clothes or his own car - but none of us can buy his own share of clean air, or his own stretch of clear highway.

There is a whole host of such choices which, in the past, we have left simply to the mechanism of the marketplace, or to the experts, or to chance - and which we now have to make together, deliberately, as matters of conscious political decision.

We are beginning to face up to the fact that the volume and variety of choices available to each of us individually depend on the kind of environment we create for all of us together. Our ability to make any genuine individual choices at all, in fact, will depend on how sensibly we act in building our educational and health and recreational facilities; upon our transportation system; upon the quality of the air we breathe and the water we drink; and upon the extent to which all of our citizens have ample incentives and opportunities for a decent education, a decent home and a decent job.

Transportation, for example, is one of the great choice mechanisms of our society. In the past we have, in effect, exercised our choice without really knowing it - buying automobiles and building highways without really being aware of many of the implications of these decisions.

For these are private decisions with immense public consequences - consequences we can no longer avoid or ignore.

No family, for example, considers a move to a suburban home with a two-car garage as having any consequences beyond the benefits it brings them. Yet the effect of a hundred thousand such decisions may be the relative decline of a downtown business district; relocation of firms; disintegration of the central city's school system; the isolation

of the poor and the disadvantaged within the central city; removal of valuable land from city tax rolls as more and more freeways are built; and innumerable other adverse consequences.

The same pattern prevails in the spread of air and water pollution - and, most importantly, in the sometimes unintended but devastatingly effective isolation of the Negro American from even the most ordinary opportunities available to almost every other American of a different color.

Often aimless, uncoordinated - although sometimes deliberate - public policies have played their part in creating these problems. The federal government, for example, has at one and the same time pursued policies to rebuild and restore our central cities and policies that have exerted continued pressures toward their decay and decline.

The moral is very simple:

--First, both in the public and private sectors we are going to have to accept responsibility for the broad public and social consequences of all our policies and programs. We must foresee these consequences - and forestall those that threaten to undo any good result the program was intended to produce.

--Second, we are going to have to work together in this task, you in the private sector and we in government, each of us doing what each can do best.

The private market works wonders - it is the most efficient and appropriate machine ever invented by man for satisfying individual needs. But it is not always so satisfactory in meeting public needs. At the same time, no amount of Federal money - no panoply of Federal programs - can meet these needs either.

What is required - even for the success of Federal programs - is that partnership I have mentioned between the public and private sectors: the partnership President Johnson has termed "creative federalism" - federalism with a small "f."

That approach rests upon the conviction - in the President's words - 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."

That approach requires, in short, that all sectors of our society - business and government at all levels - share fully and fairly in meeting the total needs of that society.

And that is the approach that we in the Department of Transportation intend to follow. The simple fact is that Federal programs - in transportation as in any other domestic field - 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.

Our job is not to usurp or improperly interfere with the transportation activities of our states, our urban areas, our private businesses. Our job is to look at these activities within the perspective of the public interest and the national purpose - and to do all we can to assist and encourage our states and localities and businesses to advance that interest and encourage that purpose.

And when we talk about transportation, we talk about people - for it is people that transportation is designed to serve - and cities - because that is where most people live and work.

And that means that when we talk about transportation we talk about all the problems people have in cities.

It means:

--First, that each urban area itself must decide what kind of transportation system best serves and suits its particular needs. Obviously, the system that works best in Las Vegas or Los Angeles is not likely to be the system that works best in Philadelphia or San Francisco.

--Second, any assessment of the role of any segment of our urban systems must be made in the context of the system as a whole. We should not build airports without adequate access roads or rails - or undertake extensive road building to accommodate autos without taking into account the feasibility of rail or other mass transit.

--Third, as I have said, transportation exerts as powerful and pervasive effect upon the air we breathe as it does upon the way we live. It enables the affluent to enjoy the blessings of suburban living and convenient access to all the services of the city without really paying for it. But that pattern of life condemns the poor to the inner city and cuts them off from access to the jobs and other opportunities they must have to sustain themselves; maintain their dignity. Because, therefore, transportation has such a powerful impact upon the total environment in which it operates, then that impact must be the most important factor in deciding the direction and shape a transportation system ought to take.

What we must do, therefore, is replace the old accidental approach to transportation planning with a systems approach - looking at transportation as a system, as an organic whole, whose job is to serve the city in which it operates and the people who live there.

And we must broaden the old cost-benefit formula to include a kind of social cost accounting - that considers the broad social costs and consequences and benefits of transportation decisions, as matters not of secondary but of supreme concern.

And my Department is engaged in hundreds of programs, and projects and investigations to aid our urban areas and our transportation industry achieve these ends. But we can do no more than aid.

Our urban areas must decide for themselves what kind of transportation system they need. And before they can do that they must decide what kinds of cities they want to be, how they want to grow and what shape they want to take.

We are encouraging them to make these kinds of decisions. We are supporting them in their efforts to develop systems that suit their total needs and serve their people - witness our support of so-called "design concept" teams in Baltimore and Chicago.

We are doing all we can to encourage greater efficiency in commercial transportation - by removing snags and snarls and promoting intermodal cooperation.

And where we think the possible public benefits are worth it - and where our urban areas and our industries have neither the incentives nor the resources, nor sometimes the will - we are supporting such demonstration projects as the high-speed ground service between Washington and New York, the supersonic transport, and the like.

We can look at our overall transportation needs - today and tomorrow - from a national perspective and identify needs and gaps, and set up priorities, and accumulate and interpret information.

We can - and we are - doing all these things and more. But all we do will accomplish very little, unless our urban areas and private industry make the essential decisions which they alone can make.

And all indications are that they are doing just that.

I sense an increasing awareness among American business that transportation is a total system. The Ford Motor Company, for example, has decided to participate in a demonstration project initiated by the Transportation Department - the auto-train project - as part of an effort to become a diversified transportation company. The recent effort of Walter Kidde Company to gain control of U.S. Lines was motivated - according to its management - by its effort to establish within its corporate confines a fully integrated commercial transportation service, which would move container cargo across the country via the so-called "land" bridge and then move it overseas via container-ship.

And in what strikes me as a most impressive effort to swim against the flow of industry into the suburbs - depriving the poor of the jobs they so desperately need - EG&G Corporation announced recently its intention to set up a metal-working plant that would offer job opportunities to the unemployed and underemployed of the Roxbury and North Dorchester sections of Boston. The plant would take on unskilled workers from the vicinity and train them on the job. The plant would also be managed by people from the area. And employees would eventually hold majority ownership of the plant.

EG&G has the highest price-earnings multiple on the New York stock exchange. And since that announcement its multiple has moved even higher.

I am not suggesting that - in business as I understand it is in at least one other field - virtue is its own reward.

What I am suggesting is that the reason EG&G commands such a high price in relation to its current earnings is because its shareholders have such a high opinion of its future earning possibilities.

The company the wise investor wants stock in is the company that invests in the future, that doesn't simply take care of today and hope for the best tomorrow. Rather, it's the company that creates its own future and controls its own destiny, so that more than any other it can avoid the adversities and take full advantage of the opportunities the future holds.

And more and more I am encouraged by signs that the business community is beginning to see that private profit very much depends - and will continue to do so in increasing degree - on how carefully it takes into account the public consequences of its actions and on how fully it bears its responsibilities for shaping the total environment in which it must operate.

Someone once said that "everybody's business is nobody's business."

Never has that been less true than today. And the kind of tomorrow we have will depend very much on how well we all - in business and in government - understand that fact. And act upon that understanding.

The President has said it best: "The challenge of changing the face of the city and the men who live there summons us all - the President and the Congress, Governors and Mayors. The challenge reaches as well into every corporate board room, university, and union headquarters in America. It extends to church and community groups, and to the family itself. The problem is so vast that the answer can only be forged by responsible leadership from every sector, public and private.

"We dare not fail to answer - loud and clear."

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