FROM: OFFICE OF SECRETARY OF TRANSPORTATION
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REMARKS BY ALAN. S. BOYD, SECRETARY OF TRANSPORTATION, PREPARED FOR DELIVERY BEFORE THE NATIONAL TRANSPORTATION INSTITUTE OF THE TRANSPORTATION ASSOCIATION OF AMERICA, CONRAD HILTON HOTEL, CHICAGO, ILLINOIS, FEBRUARY 1, 1967

I'm delighted to be here. And deeply honored.

But please allow me to return the compliment.

You members of the Transportation Association of America have made a most significant contribution to our nation. You went before Congress and supported President Johnson's proposal for a Department of Transportation. You did so at a time when a display of unity in the transportation industry was all-important.

I feel that you and the leaders of your Association have earned a very large share of credit for the existence of the new Department. By the same token, you will also share some responsibility for its future success.

To me, this occasion feel like a homecoming.

When you bring together as many of our leading transportation people as are here today, you can't help but realize what a grand fraternity this is, and how much the personal friendships mean to you.

I'm also very happy (and I think it most appropriate) that this reunion is taking place in America's classic transportation city. Where but in Chicago can railroads still make money on commuter service?

If there is one thing I hope can be accomplished by the new Department, it is the restoration of profitability to all transportation modes. I've heard rumors about a little local passenger operation that goes up along the North Shore, with a management so confused they have the trains going in the wrong direction--on the wrong side of the tracks. And the tracks themselves run parallel to the Federal Interstate Highway. And despite all that, it shows a profit.

Perhaps they can give us some advice!

I have always admired the city of Chicago for the boldness of its transportation planning. The remarkable vision which gave rise to the world's mightiest rail concentration, the world's greatest trucking center, and the world's busiest airport.

But I admire Chicago even more for the wisdom of its transportation policy. Alone among the Great Lakes communities, Chicago has preserved the beauty and recreational advantages of its lakefront.

Perhaps you Chicagoans need to be reminded of this great legacy. An unblemished lakefront is one of the supreme achievements of your city. I'm sure that the citizens of Cleveland, Milwaukee, Toledo, Detroit, and Buffalo would give much to restore such an asset to their own communities. But that is now, unfortunately, beyond their ability. The condition, for all practical purposes, is irrevocable.

It all came about before most of us were born, as a result of decisions or non-decisions that were made two or three generations ago. I suppose it serves no useful purpose to identify the heroes and villains, the men who saved one city's lakefront, the men who ruined all the others. But I want to make one thing quite clear. You can translate that situation into present-day terms.

It's no longer a lakefront we're talking about; today there are other areas of concern. Highways and airports, in particular. Right now, all over the nation, public officials and private businessmen are making transportation investment decisions which will give rise to equally odious comparisons between communities. Decisions which will make a purgatory of one place and a paradise of another.

I know that all of us possess, in our mind's eye, some picture of what our community could be like, of what our nation could be like, if all the right decisions were made. None of the pictures is exactly the same, of course. So we have to make compromises. We have to settle for a composite picture.

That's one reason why you established the Transportation Association of America. That's one reason why we have a new Department of Transportation.

But I, for one, do not conceive of your Federal Government as a kind of glorified umpire of the transportation game, calling balls and strikes and safe at the plate.

A transportation department that did not begin with a strong desire to improve the rules, that did not have a sense of mission, that could not establish a clear-cut set of objectives, would be about as useful as a kennel for stuffed animals.

As a matter of fact, there are a number of big, plump, smiling Teddy Bears that ought to be removed from the transportation arena.

When the Department of Transportation was created, Congress said, in effect: "We want a transportation policy that makes some sense. We're a great and wealthy nation, but not so rich that we can afford to be wasteful and aimless and flabby."

The flabbiness costs us a lot more than we realize. First, the American people are paying a hidden tax on the inefficiency. Second, it is dulling our competitive edge in world trade. Third, we pay a price in self-respect.

Let's get rid of the Teddy Bears!

They're stifling the creativity and enterprising spirit of transportation men.

In popular lore, transportation men are often portrayed as ultra-cautious, conservative types. I think there's a good reason for that label. The regulatory agencies have taught you to be infinitely patient, and a century or two of history have taught you what a risky business you're in.

Nothwithstanding all that, it seems to me that transportation men are still the great risk-takers of our society.

The financial risks, as I say, have always been great. Most of the entrepreneurs associated with America's great moments in transportation seem to have lost their shirt.

The builder of the greatest clipper ship went broke.

The builder of the greatest steamboat of the nineteenth century went broke.

The builder of the first monorail went broke.

Most of the early railroads went broke.

Most of the early canals went broke.

For that matter, the builder of the first Ford automobile went broke, at least on the first try.

It seems to me that our society must try to hold open financial rewards which are commensurate with such risks. Especially when you realize how brief, how surprisingly brief, the life of many important transportation innovations has been.

The clipper ship, for example, was built, reached its zenith, and declined, all within about fifteen years.

That's about the same career-lifetime as the turboprop has had with the major airlines.

Then, if you really want to get romantic about transportation, there was the Pony Express, which lasted all of thirteen months.

There is no doubt in my mind that the Federal Government will have to assume an increasing share of the risks of technological innovation with the transportation industry. And not only, I might add, in the aerospace field.

I see great promise in the future of High Speed Ground Transportation, and the rail passenger demonstration project that is cooperatively underway between the Government and the Pennsylvania Railroad.

I see a pattern in this arrangement that we will want to duplicate for experimental work in other modes.

Of all transportation modes that need technological stimulation, none is in more desperate shape and none offers greater possibilities than the ocean maritime field. Yet, ironically, this is the one mode which chose to absent itself from the new Department.

I think this is regrettable on a number of counts. The ocean carriers compete with no other American mode, and I believe a great deal of attention to maritime problems could be given, in a rather fraternal spirit, by the transportation industry as a whole. In air and land transportation carriers, there is much expertise that the maritime people could profitably draw upon. By going it alone, the ocean carriers have also made it administratively more difficult for the Department of Transportation to assist them in research and technological development.

But what is so futile about this gesture of our maritime friends is the fact that America's national transportation policy can't possibly stop at the water's edge. It is interdependent, as all modes are interdependent. It is indivisible, as the national interest is indivisible.

And so I sincerely hope that this lack of maritime representation in the new Department will be only a temporary matter.

In the meantime, with a goal of increased intermodal efficiency, we will continue to give strong support to the containerization efforts of the transportation industry, and increased attention to the problems of standardized international documentation. Progress in these two areas would be at least as valuable--to shippers--as an ocean carrier capable of twice the present speed.

For despite the Department's very profound commitment to technological pioneering, we all realize that the time lag between the start of planning, and the actual operation of, a new transport system is about 15 to 20 years. So in an immediate sense, we feel that the greatest transportation progress will consist of integrative and consolidating measures at the so-called transfer points.

Of course, the inhibiting factors which lower intermodal efficiency are not exclusively technological. They are often institutional. For example, there would have to be some statutory changes before the full coordination arising from common ownership of several modes would be possible.

I do not regard that as a territory forbidden to contemplation.

From the public point of view, most of these questions seem parochial. What is meaningful to the American people, what frustrates both shippers and travelers, is the great disparity between movement on the best and worst legs of the trip. They know we have our little rivalries and regulatory problems, but they really don't want to hear about them. They just want better service.

Moreover, at this particular time, the public at large has very ambivalent feelings about transportation--all kinds of transportation. On the one hand, they still take great pride in our system of mobility. On the other hand, there are signs of a general feeling of resentment.

You do not have to search very far for the cause of this public resentment. They resent the way the side-effects of transportation have been impinging on their private lives.

The noises, the odors, the dirt, the accidents, the delays, the civic disorder, dislocation, and demolition have been bombarding the public consciousness for years and years. Now the reaction has begun, and I believe that it marks the end of an era in this country.

It is no longer possible for transport decision-makers to proceed on the simple criteria of profit-maximization and engineering efficiency. It is no longer possible for each mode to think only in its own terms.

The boundaries of transportation problems have fundamentally shifted. They once coincided fairly closely with that competitive arena known as the market place. They have now gotten deeply involved in the mechanisms of social choice.

In cross-country roadbuilding, we used to think we could avoid community involvement by simply by-passing the towns and small cities. Now we know that even if you locate an interchange several miles from the town, the town will gravitate to the interchange.

In metropolitan airport location, we used to think that if you went far enough out in the country, that would be the end of your problems. Now we know that a decision to build a new airport is a decision to build a new city.

It seems to me that the Federal Interstate Highway program represents the last of the great go-it-alone transportation investments.

It was a wonderfully free-wheeling and egocentric era. I don't think any of us should regret its passing. For our nation will be paying for, and trying to cope with, its harsh consequences for many years to come.

Our present and future challenge is to make the kinds of investments and the kinds of decisions that will gain the benefits of transportation while escaping the socially undesirable side-effects.

The creation of this new Department has given America an opportunity to make a fresh start in the formulation of transportation policy.

Transportation is now the surrogate term for a great deal more than the actual movement of people and goods. It includes land-use decisions--industry location, residential development, open space provisions. It includes a wide range of public and private investments which become, in effect, transportation decisions.

Currently, the Federal Government is investing almost $8 billion on transport facilities and programs unrelated to defense. State and local governments are spending about $10 billion on transportation improvements. Our citizens know that these expenditures, added to those of private industry, will multiply the existing problems unless they are coordinated with the goals of our society.

This public awareness of the social impact of transportation--especially in matters of safety--is now strongly focussed in the Department of Transportation.

It is, I believe, very much to the advantage of the transportation industry to deal with this central issue there, on sympathetic home ground, rather than elsewhere.

Let's work together. You helped to create this Department. Now you have an opportunity to apply its resources, to prove its practicality.

Earlier, I said that we had come to the end of an old transportation era. Logically, this means that we have arrived at the beginning of a new transportation era.

We do not know all the answers. We do not even know all the questions. But we must go forward.

The President has placed in our hands an instrumentality capable of bringing great good to the American people. You and your associates must help us to refine it and to use it intelligently.

This is not a one-man job.

As the famous Scottish philosopher, David Hume, once said: "The judgments of many must unite in the work; experience must guide their labor; (and) time must bring it to perfection."