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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 TRANSPORTATION ASSOCIATION
OF AMERICA'S NATIONAL TRANSPORTATION
INSTITUTE AT THE WALDORF-ASTORIA HOTEL,
NEW YORK CITY, WEDNESDAY, JANUARY 31, 1968,
AT 9:30 A. M.

In going over some of your policy positions the other day, I found one that advocates making it a Federal offense to assault an Interstate Commerce Commission employee while he is on duty.

So I am here today with fresh and rather vivid impressions of the controversial nature of this job to ask whether you would consider extending that policy to some of us in the Department.

It is always a pleasure to take part in the working sessions of the Transportation Association of America. I have no doubt that the two decades you spent making a case for a coordinated system of transportation had much to do with the decision to create a Department of Transportation. I only hope you have no illusions that your mission has been accomplished. Your work has really just begun.

The Congress has agreed with President Johnson that the general welfare of the nation requires better coordination of transportation services. It is now a matter of policy. But the initiative for translating the idea into tangible improvements in the way we move people and goods should come from private industry. We intend to do our fair share of the work. But I believe, as I know you do, that the changes in our system will come faster and more smoothly if they are the result of private enterprise rather than Federal pressure. So there is more than enough work to go around.

I have today what amounts to the first annual report of the Department. It is two months short of a year since we became an official part of the government, but it seems like a year -- at least a year.

In some ways, these first months remind me of what Dr. Charles Elliot said when someone asked him how Harvard came by its magnificent store of knowledge. He said it was very simple -- the freshmen brought a great deal with them and the seniors took away very little.

That story means more after you have spent some time trying to sort out the pieces of the incredibly complex transportation network of the United States. It has particular meaning if you start the job thinking you have a fair understanding of American transportation.

We went to work on April 1 of last year searching for the right answers and we are just now beginning to find the right questions.

And I am afraid that if a citizen came into our building thinking the Department was formed to manage a well-coordinated system rather than help create one, the dialogue would sound something like this:

He would ask: "What time does the 9 o'clock come in?"

And we would reply: "We are working toward a balanced and integrated system of transportation in which people and goods can move from one mode to another with a minimum of delay, damage or discomfort."

If that didn't stop him, he might ask: "I came in on the 10 o'clock plane; what plane would my baggage come in on?"

And we would say: "A transportation system can no longer be designed with profit and efficiency as the only criteria. We must take into account environmental factors."

When he stalked out of the building, we probably would shout at him: "And don't forget, there are sweeping social implications in every transportation decision."

There is no telling what he would think if we were to tell him that we believe we had a productive first year and that we made progress.

For one thing, we are now nearly at full staff strength. It has been a slow process. We have chosen our people with care and I believe that whatever time we have lost we will make up for in the quality of future work.

We have made real progress in safety on the highways, in the air, on the railroad system.

An expanding program is underway to improve the capacity of urban streets at moderate costs by re-building inter-sections, improving signals, creating so-called reversible lanes and making other relatively minor adjustments.

We have started another program to eliminate high-accident locations on existing highways.

Work is moving ahead on the prototype of the supersonic transport.

Both types of high-speed trains that will go into service this spring between Washington and Boston have been tested -- one at more than 150 miles an hour, the other at over 170 miles an hour.

In Baltimore and Chicago, we are trying a totally new approach to one of the most critical transportation problems -- the conflict between the expressway and the city that it serves. I will have more to say about this project later.

None of these programs will solve our transportation problems. But they will all contribute to a better system. The only thing about this country that is more complicated than its transportation network is the people who live in it. And we will show results, not with sweeping changes, but with what seem at first glance to be insignificant adjustments all through the system -- from better synchronization of traffic lights in one town to elimination of a grade crossing in another.

We have also, I believe, made clear our general policies in the briefs we have filed with the regulatory agencies. We supported the rent-a-train proposal and the application for helicopter service in the Washington-Baltimore area because we want to encourage innovation. We oppose an attempt to bring air taxis under economic regulation and we argued for greater freedom for trucks to use the Interstate Highway system because we want to encourage competition and more efficient use of the system.

We have a task force rewriting all safety regulations -- air, rail and highway -- to eliminate contradictions and to try to make them clear and consistent. In this, as in other projects that affect industry's ability to function, we are doing the work in consultation with industry.

We have tried to demonstrate that we do not intend to withdraw into a fortress Washington, bolt the door, draw the blinds and issue Draconian instructions for building a better transportation network. In the last analysis, private industry must finance the faster, safer, more efficient transportation which the public interest requires. We will help with research, analysis, recommendations for sensible regulatory policies and with a portion of the total investment. We are also required to advise the government on which of its investments will bring the greatest benefits in transportation. But neither government nor industry can produce the final product by itself. And we intend to continue working closely with industry.

Perhaps the most encouraging sign of progress this past year came not from inside the department but from outside.

We find an increasing awareness among American business that transportation is a total system. It shows up in the creation of new systems-oriented divisions of companies that once were preoccupied with their own products as the ultimate transportation weapon. It shows up in a scramble for men with experience in broad transportation planning. This new feeling that -- to paraphrase Calvin Coolidge -- the business of business is America -- is not confined to transportation.

This month, Fortune magazine devoted most of its issue to efforts of business to help cope with social problems which have, in the past, been considered the private preserve of local, state and Federal governments. The use of systems analysis and engineering which were developed by the aerospace industry is an important ingredient in many of these efforts. As Fortune put it, the notion that social problems might be solved with systems engineering was regarded as an "eccentric boondoggle" when it was pioneered in California three years ago. That is no longer the case.

We are building a strong office of systems analysis in the Department. It is, in many ways, still an infant art, but it has a great potential if for no other reason than that it makes you face facts. It is common sense plugged into a computer. And its guiding principle is the same as that on which any good detective operates -- assume nothing, challenge everything. It is a great destroyer of myth and folklore. And it gets you into the habit of measuring all of the consequences of an action instead of just the good consequences. And it forces you to explain in detail why you are in business not just what your business is.

Systems analysis has also turned up some broad gaps in what we know about the transportation network we are trying to improve. For example, we have a report that tells us that if we build a highway through a corner of a primitive area in the west it will cut the population of bighorn sheep from 10 to 2. We have no such precise information about where the nation's millions of railroad cars are and how productively they are used. I think one of the most important missions of the Department must help industry fill in this and other information gaps so that we have a clear idea of what impedes a more orderly flow of goods in the system.

It is significant that in a year of tight budgeting for the Federal government, we are prepared to increase expenditures during fiscal 1969, including the highway trust fund, by a net of \$500 million.

There are off-setting cuts in some programs. The highway construction program is essential to shippers and truckers. But the delay of release of funds is just that -- a delay. And the cut works out to about five percent, as compared with an average cut in other public works of closer to seven percent.

We are asking the Congress to keep the supersonic transport program going forward as fast as technology will permit. This is a project that will maintain America's leadership in aviation. It is a program that we hope will set a pattern for sharing the risk of developing new technology in transportation where the public interest is involved.

We have asked for an increase in the Federal Aviation Administration budget that will permit us to hire 1,200 more controllers and install radar and instrument landing facilities at more hub airports.

We are asking for a 50 percent increase in research funds for automobile and highway safety. And we will make available \$140 million to the states for improving the quality of their safety programs.

We are, in fact, asking for more money for research all down the line -- in high-speed ground transportation, in the Coast Guard, in all departments.

There is some urgency about this. If the demand for transportation continues to expand at its present rate, we must double the capacity of the system in the next 13 years. It is a job of such dimensions that, to my knowledge, nobody has even added up the cost, let alone worked out a plan for achieving it.

And while the increased demand puts pressure on all of us to produce better methods for moving people and cargo, it may well be a blessing for everyone involved in transportation.

For one thing, it provides an immediate opportunity to improve the system. As we expand what is already in place, we will pay closer attention to access roads for airports; to consolidating terminals so that you are not deposited by a train several miles from the bus you must board for the next stage of the trip.

The expansion should bring a new spirit of cooperation among the modes. With any luck at all, each mode will have its hands full just trying to keep up with new demand. There will be no time for scheming to impede the growth of other modes or trying to coax away work that can be done more efficiently by other carriers.

Finally, it gives us an opportunity to apply the lessons we have learned from the past about the hidden costs of inadequate planning in the system.

We have the best transportation network in the world. But we pay two prices for its service -- one in cash and the other in noise, polluted air, accidents and delays. We have learned that transportation can change the environment. We did not even have to plan for it -- it just happened. I am persuaded that we can change the environment just as easily by planning for it -- only this time we can produce more desirable changes.

We are a country that does not know its own strength. We have the knowledge and the material resources to achieve more than most of us really understand.

President Johnson raised the question in his State of the Union message. "We ask now," he said, "not how can we achieve abundance, but how shall we use our abundance."

I think the answer is in improving the quality of life for our people -- in better health, better housing, better job opportunity, better education, better transportation. It lies in clearing the air, cleaning the water and making the country as pleasant as it is prosperous.

The President also raised the obvious next question.

The issue, he said, is not whether we can do these things but whether we will.

I believe, as he does, that we will.

FROM: OFFICE OF SECRETARY OF TRANSPORTATION
WASHINGTON, D. C. 20590

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.

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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.

Notwithstanding 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.

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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."