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PREPARED FOR DELIVERY BEFORE TEXAS A & M UNIVERSITY
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It is a pleasure to come to Texas under any circumstances. It is a particular pleasure to be here today to make what amounts to a first annual report of the Department of Transportation and to have General Doyle on hand to hear it.

The report he produced in 1961 is still the basic form chart on American transportation. I would be tempted to call him the father of the Department if I didn't think it would embarrass him. There are just too many people who claim we don't have a proper birth certificate.

I do want General Doyle to know that we have taken his advice in one significant area. We have avoided being considered partial to any one form of transportation over another. A recent editorial in Railway Age put that in another way recently. It said our impartiality was apparent because we had all of the modes mad at us.

President Johnson called for creation of the Department in 1966 in a message that contained a classic summation of the central problems of travel and shipping in the United States.

"Our transportation system," he said, "has not emerged from a single drawing board, on which the needs and capacities of our economy were all charted. It could not have done so for it grew along with the country itself - now restlessly expanding, now consolidating, as opportunity grew bright and dim.

"Thus investment and service innovations responded to special needs. Research and development were sporadic, sometimes inconsistent, and largely oriented toward the promotion of a particular means of transportation.

"As a result," he said, "America today lacks a coordinated transportation system that permits travelers and goods to move conveniently and efficiently from one means of transportation to another, using the best characteristics of each.

"Both people and goods - he said - are compelled to conform to the system as it is..." And in the broadest sense, his mandate to us was to make the system conform to the needs of people and goods.

In a system which accounts for 20 percent of the gross national product; which covers vehicles ranging from a bicycle to a jumbo jet; which is exceeded in complexity only by the people who use it - that is a job we have only begun to measure, let alone tackle.

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

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

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That story gains meaning after you have spent some time trying to sort out the pieces of the incredibly complex transportation network of the United States. It achieves the stature of real truth if you start the job thinking you know most of what you need to know about the system.

But we believe we have made progress during the first year.

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 will be more than balanced by the quality of future work.

We have made progress in safety programs on the highways, in the air, and on the railroads.

The prototypes of the high-speed trains that will go into service between Washington and Boston this year have both reached speeds of more than 160 miles an hour. Testing and modification continues - testing that is necessary because these trains are at a higher level of technology than this country has ever before attempted to reach. But I am satisfied that the resulting service will be worth the relatively short delay.

In Baltimore and Chicago, we are trying a totally new approach to one of the most critical of the country's transportation problems -- the conflict between the expressway and the city it serves.

We have called for design studies for a tracked air-cushion vehicle that will travel at speeds of 300-miles-an hour.

And we are involved in staff studies as varied as automobile insurance; the design of safety test cars; and better road signs.

None of these programs alone or even in combination will solve our transportation problems. But they will all contribute to a better system. 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.

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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 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. 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. It shows up in a scramble to hire 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. In January, 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. 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 railroad cars are at any given time and how productively they are used. I think one of the most important missions of the Department must be to 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.

Within the past two weeks, we have asked the Congress to eliminate some of the barriers to international trade -- barriers we believe discourage many American manufacturers from even trying to get their goods into the export field.

It is now technically possible, for example, to pack a container in Kansas City, Missouri, and move it to Europe by truck, rail and ship without breaking the seal. But under present law, the container must drag with it a web of laws, rules and practices whose foundation goes back to the day when a sailor was guaranteed a ration of vinegar to prevent scurvy.

Our program -- the Trade Simplification Act -- would simply permit carriers to enter into agreements to establish joint rates, issue single bills of lading for through movements, and interchange or pool equipment and facilities.

It would leave all shipments still subject to the same regulation that now exists. The Interstate Commerce Commission would still have jurisdiction over the truck and rail segments of any shipment; the Federal Maritime Commission would retain authority over that part of the agreement that involved ocean shipping.

But it would be an essential first step toward the day when the benefits of new technology in shipping are not denied to us by our inability to break old habits.

We also intend to continue to concentrate on research in all fields -- in high-speed ground transportation; in aids to navigation; in automobile and highway safety.

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 estimated the cost, much less 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.

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