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DEPARTMENT OF TRANSPORTATION

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REMARKS DELIVERED BY SECRETARY OF TRANSPORTATION CLAUDE S. BRINEGAR BEFORE
THE PRESIDENT'S EXECUTIVE PERSONNEL INTERCHANGE PROGRAM, WASHINGTON, D.C.
APRIL 27, 1973

It's my pleasure to meet with you today. Since one of the purposes of this program is to develop a cadre of business executives with the potential for appointive Government service, it occurs to me that my successor may be somewhere around this table.

May I say I hope so, but not for a few years yet, at least.

The Executive Interchange Program, I understand, has been quite successful the two years it has been in existence.

I can understand why. I also suspect that the importance of this kind of program will increase.

Peter Drucker calls management more of a "clinical practice" than a science -- learned better from experience than from text books.

This interchange program affords industry and Government executives alike another slice of experience -- a chance to see challenges from a different perspective, and to approach problems from a new direction.

Having recently come from industry myself, I can give the interchange concept my personal endorsement.

I can also appreciate your feelings on suddenly entering the arena of public life. Until you have appeared on Capitol Hill, however -- as I have some half-dozen times these past three months -- you cannot say you really have been baptized into Government service.

My view, based on the rather brief experience I have had in the Government sector, is that the President established this Commission on Personnel Interchange at a propitious time. In the transportation field, as in other aspects of our National life, there are issues on the table that Government fiat or technical dexterity alone will not resolve. We need a commonality of purpose and a coalition of efforts from the public and the private sectors of our land. We can best attain that winning combination by building a fraternity of understanding along the corridors of executive decision-making.

Let me suggest to you today three areas where stronger Government-industry relationships are needed.

First: there is the growing sensitivity of transportation decisions to environmental and social conditions.

Industry today is no longer at liberty to cater to consumer tastes, or to influence those tastes, without due regard for the social and environmental consequences.

In many instances today, those transportation products and projects which show the least environmental degradation will receive the most public favor. Similarly, there is growing public intolerance for the undesirable by-products of transportation -- urban congestion, air pollution, excessive noise, inappropriate land-use, and inefficiencies in costs and service.

These problems will not be overcome by Government or industry acting alone. The crusade for better transportation must be a concerted effort, and solutions must germinate in the planning phases of all transportation-related projects.

We already know, for example, that transportation corridors shape land patterns as much as they serve them. We already know about the development that follows our Interstate highways. New transportation facilities are frequently an economic shot-in-the-arm, but planned and executed properly they can be a community asset in the social and cultural sense as well.

In planning, we must also look ahead realistically and face the issues rather than fight them.

The economic and judicial logic in the true no-fault insurance concept brands it as an idea whose time has come.

The folly of insisting on highways for urban transportation, where highways are neither the best answer nor the preferred answer to a city's transportation needs, simply compounds the problems of urban decongestion and efficient energy use.

The current dilemma over the direction and timing of the auto industry in complying with Federal clean air standards is another case in point. Having spent 20 years in an industry directly related to the emission control

problem, I can understand the difficulties involved in developing and implementing new, costly, and untried technologies. At the same time, the necessity to deal decisively with air pollution should not come as news to the automobile manufacturers or any other industry. An earlier union of public and industry forces, in the delineation and scheduling of corrective policies, might have gone a long way toward averting the present dilemma.

Second: it has now become obvious that energy constraints, as well as pollution controls and congestion problems, will begin to restrict the use of motor vehicles, especially in urban areas.

This is a challenge not only to the automotive and energy industries, but to America's capacity to adapt to a transportation system less dependent on the private car and more rationally balanced in terms of energy use.

Please don't misunderstand what I am saying. The motor car is not about to be put out to pasture along with the horse it replaced. We simply have to exercise better judgement in how we use the motor vehicle.

Some 40 cities in Europe already have applied traffic restraints or banned private cars from sections of their downtown business districts.

Such actions have not yet been taken in any major U.S. cities, but a number of urban communities -- Washington among them -- have given consideration to restricting the free access of private cars to downtown areas. Quite a few of our cities, in developing their plans for compliance with the Clean Air Act, have seen no alternative but to reduce auto travel, some by as much as 80 percent.

What we are looking for, if we are to continue to accept the automobile on city streets, is an "urban car" -- a vehicle sized for the city, virtually pollution-free, and economical to operate.

Unless or until such a vehicle can be developed, we had better do our utmost to restore public transit to public favor.

This is partly the Federal Government's job, in bringing public transportation back from the brink of oblivion through capital grants, community incentives and renewed research and development; partly industry's job, by devising and building transit systems people will want to ride and cities can afford; and partly the responsibility of local governments in finding ways to convert commuters from private cars to public transit.

Third: under President Nixon, there is a renewal of confidence in local initiatives, and a growing dependence on private industry for solutions to some of our most pressing problems.

From New Deal days to the hand-out programs of the Great Society, Government policy was to devise Federal solutions -- and apply Federal dollars -- to problems of local as well as National scope. Too often these Big Government

solutions resulted in inflexible programs that wasted resources, mis-applied Federal funds, and stifled state and community initiative.

Similarly, with Federal highway money available at 10 cents on the dollar, cities have succumbed to the temptation to invite the Interstate within their boundaries, even when alternative transportation investments might be more practical, and more acceptable to the community.

For two years running now, President Nixon has tried to introduce a flexible funding provision into the nation's highway program. The proposal has been favored in the Senate, but rejected in the House, where the highway interests have prevailed.

We are now facing a Conference committee showdown, with some hope that the flexible urban funding provision can be retained. If it does not, we have only two choices ahead of us: to vote the money needed for public transit capital improvements out of general revenues and thereby increase the budget President Nixon is trying so hard to control (while the Highway Trust Fund continues to accumulate a surplus); or to continue to allow highways to be forced upon cities which, in many cases, do not want and will not accept them.

Our proposal would not affect the Interstate system between cities, where it is needed and serves a useful purpose; nor would it dilute the rural roadbuilding program. It would simply give urban communities a choice in how they use the funds apportioned to them.

We require states and metropolitan regions to do comprehensive transportation planning in line with local needs. We believe we should also loosen the strings on how they spend the money in support of those needs. We must get away from trying to decide in Washington just how every city should use the capital funds it receives.

President Nixon simply does not feel that big Government or sugar bowl financing for mandated projects are necessarily the best answers to many state and community needs. The President favors revenue-sharing and the freedom of choice it affords localities in making and pursuing decisions most responsive to local needs.

President Nixon also has great confidence in the ingenuity of American industry and the ability of private enterprise to cope with some of the tough challenges before us.

As he indicated in his energy message earlier this month, President Nixon is counting on industry to increase the energy output of our Nation -- perhaps to double it by 1985.

He believes industry can be a major force in helping to slow, halt or reverse the U.S. balance of payments deficit by devising more high technology products for sale abroad. Since 1970 these exports have increased by only

13 percent, while imports have gone up 36 percent. Transportation technologies represent an attractive prospect for altering that situation in the future.

President Nixon, finally, has confidence in the private sector for the salvation and reincarnation of the railroad industry.

It would be relatively easy to deal with the serious Northeast railroad problem by sending tax dollars to ransom the six Northeast rail lines from bankruptcy. Such a solution would be extremely costly for the taxpayers, and would be neither fair nor practical. There is no evidence that Government operation would be more effective than private ownership. Unless the root problems are corrected, the symptoms will simply reoccur.

As I have said before, I am sure there is a viable rail system waiting to emerge from the Northeastern wreck. We have proposed to Congress a way to identify and establish that viable system -- not by Federal subsidy but by trusting in the industry, by overhauling the regulatory machinery, and by eliminating the inefficiencies that make profitable operations under present conditions virtually impossible.

Beyond these areas that I have mentioned, President Nixon believes that industrial initiative and enterprise offer the best hope for dealing with other domestic challenges -- for cleaning up our environment, restructuring our cities, and developing more efficient ways to use our resources.

The better we understand our respective roles in Government and industry -- the better you are acquainted with our objectives and the better we know your capabilities -- the more likely we are to function as an effective alliance, steering America to new heights of environmental, social and technical progress

Before inviting discussion, I want to acknowledge the four gentlemen who have been serving with the Department under this interchange program since September 1972: Mr. Marvin Bell from General Electric, Mr. Victor DeMarines from the Mitre Corporation, Mr. Frank McKinney from Thiokol, and Mr. Avron Spector from Litton Systems. We appreciate the work they are doing and I hope they profit as much from this experience as I am sure we do from having them with us.

Now I will be glad to hear your comments, and I will be happy to answer any questions. . .

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