



U.S. Department of
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WATERLOO CHAMBER OF COMMERCE
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May I begin by saying how pleased I am to be back in Iowa -- America's breadbasket -- neighbor to my adopted home state of Kansas -- and just about the best place I know to get away from the headlines, hype and hysteria of Washington, D. C.

No one can visit this state without experiencing for himself some of that hospitality made famous by Meredith Wilson's "The Music Man." "You really ought to give Iowa a try," sang the good citizens of River City to Professor Harold Hill. And he did. And soon, he found himself unable to leave this magnificent landscape of corn and cattle, of Grant Wood paintings and Wells Fargo wagons. The barbershop quartets may be scarcer now, but Iowans remain just as generous, just as warmhearted. And I'm glad to be back.

It's a real pleasure to be at the second annual Athena Awards Luncheon. It's an excellent opportunity for us to get the word out that women mean business.

The Chamber Athena Award is nationally co-sponsored by the Oldsmobile dealers of America. The purpose is to honor a woman who demonstrates excellence in a business or a profession providing valuable service to her business/profession or community. She must exhibit initiative, creativity, demonstrate support of the goals of professional women, and provide unselfish assistance in their behalf.

The award winner will come from the fastest growing segment of our nation's economy -- the female entrepreneurs, the women who own and manage business and industry -- strong, willing, imaginative, productive, and tenacious workers.

What an outstanding job the Waterloo Chamber of Commerce has done in organizing this awards luncheon. And I hope the men in the audience won't mind if I focus on women today. The fact you men are here today suggests you have a considerable degree of interest in the subject yourselves.

I'm reminded of a story about Justice Oliver Wendell Holmes, who once found himself on a train, but couldn't locate his ticket.

While the conductor watched, smiling, the 88-year old Justice Holmes searched through all his pockets without success. Of course, the conductor recognized the distinguished Justice, so he said, "Mr. Holmes, don't worry. You don't need your ticket. You will probably find it when you get off the train and I'm sure the Pennsylvania Railroad will trust you to mail it back later."

The Justice looked up at the conductor with some irritation and said, "My dear man, that is not the problem at all. The problem is not, where is my ticket. The problem is, where am I going?"

Today, we women know where we are going. Women in the 80's comprise a diverse group with varied interests. Some seek their own careers in business. Some run for political office. Others focus on the home and family. And some seek to do all these things. In today's society, no role is superior to another, although homemaker and mother is, I believe, as tough and rewarding a career as there is! What's important is that every woman have the right and opportunity to choose the role she wishes. Truly, if one word could sum up the vast progress made by women in the past 15 years, it would be choice.

I suggest that we are all natural allies in what I like to call America's "quiet revolution," a tidal wave of qualified and talented women who have entered our work force in record numbers over the past three decades. The proportion of the work force that has shifted from homemaking into the market place is greater than the migration of the work force out of agriculture earlier this century. The impact of this "post-industrial" revolution has been just as tremendous. There is no question that today's "average families" are anything but average. A record 19.5 million mothers with children under the age of 18 were in the U.S. labor force in 1984. And more than three-fifths of all married couples in this country are part of the recent phenomenon called two-income families, a trend that has risen significantly from earlier decades. More than half of all American women now work, a significant change from 20 years ago. We are seeing a revolutionary change in our society and perhaps we don't realize just how significant it is because we are living it. And it's all happened in a very short space of time.

Certainly, I can identify with the frustrations Marjorie Karowe must have felt when, as a young attorney, she stood before the bench to enter a not guilty plea on behalf of her client, a man accused of a minor crime. "Well, who are you?" The judge demanded, "His mother?"

Today, Marjorie Karowe is a partner in a New York law firm and former President of the Women's Bar Association of the state of New York.

I can identify, too, with Sandra Day O'Connor, who, upon completing law school, was offered a job as a legal secretary and, of course, went on to break the type -- as the first woman appointed to the U.S. Supreme Court. I remember vividly a day in September 1962 when I entered Harvard Law School, one of 25 women in a class of 550 eager students. I'll never forget being accosted by a male classmate on my very first day at Harvard, who demanded to know what I was doing there.

"Don't you realize," he said in tones of moral outrage, "that there are men who'd give their right arm to be in this law school? Men who would use their legal education?" Obviously, he felt I was taking the place of a man. And come to think of it, some may have felt that way when I became Secretary of Transportation.

Women form a clear majority of the college population -- hitting 52 ½ percent in 1985, a year in which they earned some 50 percent of all bachelor's degrees and just under 50 percent of all master's degrees. Women now constitute 25 percent to 53 percent of students training for such professions as architecture, law, economics, medicine, accounting and pharmacy, compared with an average of about 12 percent in 1972. Women entering schools of business administration soared by an incredible 2400 percent -- business is now the most popular major for both women and men. And look at the results. The overall ranks of women professionals grew from 4.5 million in 1972 to 7.6 million ten years later.

Entrepreneurship is another way women are making their presence felt. Businesses owned by women are the fastest growing segment of the small business community -- over three million strong, as big as the population of Chicago -- and generating over \$56 billion in receipts.

More and more, women are choosing to start businesses or take jobs in traditionally male-dominated industries. I know a little bit about this because the transportation industry is one of the best examples. You only have to look at the traditional work force in highway construction, shipbuilding or the air traffic control profession to realize this -- although we are working to increase the number of women in the transportation fields.

When I arrived at the Department of Transportation, I asked how many of our employees were women. I was told 19 percent. Then I asked what was the percentage when the Department was established in 1967? The answer: 18.5 percent. It didn't take long for us to design a program to change all that. Now we are helping more women enter our work force, and we're preparing more women than ever to assume managerial positions and to expand existing skills -- for example, to become air traffic controllers and move into more skilled and higher paying jobs. In a Department of over 100,000 people, that vision of change is indeed a challenge. It takes many women to move the female

percentage up even one point, but in two years since we began our program, the number of women employees in the Department has increased to 22 ½ percent. Recently a pilot told me "I flew into a major city and I was really amazed. There were three distinct voices on the air traffic control system. All three were female voices." I said "great, our program is working."

But we are also using the skills of women in another way at the Department -- by contracting with them for goods and services needed in transportation. We are contracting with women-owned businesses to the tune of \$434 million in fiscal year 1986 in direct and federally-assisted highway and transit contracts -- and that's up 32 percent from FY 1983. I'm proud of this record. Under those contracts, women are providing services ranging from construction machines for use on railroads and clearing railroad wreckage to outreach assistance for women-owned businesses -- helping them with marketing, bonding and insurance problems.

And last, but I hope not least, I've found my own little footnote in history at the Department of Transportation. I am the first woman to head a branch of the Armed Forces -- the U.S. Coast Guard. The Coast Guard's search and rescue efforts save thousands of lives every year. And how proud I am of the Coast Guard's drug interdiction efforts. In 1986, the Coast Guard seized 154 vessels, and prevented around \$2 billion worth of illegal drugs from entering America's cities. And the Coast Guard was the first to open its academy to women.

So, yes the numbers of the past decades speak eloquently of progress for women. But who among us can argue that we have completely eliminated discrimination, or totally banned that insidious brand of prejudice -- what I call the tyranny of perfection.

Social critic Marya Mannes put it best, I think, when she wrote: "Nobody objects to a woman being a good writer or sculptor or geneticist if, at the same time, she manages to be a good wife, a good mother, good-looking, good-tempered, well-dressed, well-groomed and unaggressive."

We've come a long way but we have not reached the millennium. As we continue to meet the challenges of the quiet revolution, the dynamism of the U.S. economy promises a brighter future for all of us. The traditional vigor and adaptability of the U.S. economy is equally crucial as Americans of both sexes face the challenges of an increasingly competitive world economy. The removal of government regulations and red tape that unnecessarily burden and hinder the productivity of American business is one important way we can meet that challenge.

Economic deregulation of the nation's airlines, railroads and trucking companies, for example has saved American industry and consumers literally billions of dollars. A 1986 study by the Brookings Institution estimated that airline travellers have benefited by about \$6 billion per year in lower

costs and more frequent flights. Since passage of the 1978 Airline Deregulation Act, the number of passenger boardings has grown by over 100 million -- a 40 percent increase.

The effect of the 1980 Staggers Act reducing regulation of the nation's railroads has been even more dramatic than airline safety. Only a decade ago, the heavily-regulated railroad industry was literally on its knees. Nearly one-quarter of the nation's track was in bankruptcy. The industry faced a ten year capital shortage in excess of \$13 billion. Undercapitalization and deferred maintenance had exacted a heavy price: a seriously deteriorating rail infrastructure.

Decreased regulation has revitalized that once dying industry. Rates have fallen significantly and service has improved markedly with faster, more reliable delivery, and reduced loss and damage. The rebirth of competition has allowed the railroads to generate the capital necessary to upgrade their infrastructure into a safer system. Train accidents have been cut by two-thirds.

I want to emphasize that the economic deregulation of an industry does not mean we are deregulating safety. On the contrary, aviation accident and fatality rates in the U.S. have declined steadily over the past 25 years, and this very reassuring trend has continued unabated since deregulation. Each day, some 15 thousand scheduled airline flights carry an average of 1 million passengers and 99.999 percent of these flights reach their destinations without incident. Last year, almost 400 million passengers traveled 300 billion miles on the major scheduled carriers without a single fatality.

But we never stop working to make the safest system in the world ever safer. Take, for example, the subject of drug and alcohol abuse. At the Department of Transportation, we have a mandate to focus on both sides of the problem -- supply and demand for drugs. The Coast Guard is engaged as never before in patrolling the waters which surround America, combating the scourge of illicit drugs which might poison the veins of our countrymen. And at the same time, we are moving to combat the demand for, and the use of drugs, in transportation.

We have had impressive success in our continuing efforts against drunk driving, and we will not stop until we get every last drunk driver off the roads and highways of America. And we won't tolerate drunk and drugged driving on trains, planes or any other form of transportation, where many lives are at stake.

The problem of drug and alcohol abuse is pervasive in American society. That means that transportation is not exempt. To combat drug use in the system, I announced recently a sweeping program of random drug testing, and counseling and rehabilitation for Department of Transportation employees who hold safety and security-related positions and who may be suffering from a drug problem. Also, we'll address such problems among airlines and railroad

personnel. We are trying to be sensitive to our employees' needs and provide help with this terribly serious problem. Our goal is to provide the means for rehabilitating employees who need help, without the loss of jobs. I am determined that the American people receive what they are entitled to, a drug free transportation system. And I ask you to join in helping make this a drug free society. I can think of no more worthy endeavor to make a positive difference for people.

The deregulation and safety experience is one way in which the private sector has shown what it can do if the government gets out of the way. Privatization is another. I presided over the flagship of privatization, the sale of Conrail, our government-owned freight railroad through a public stock offering. It was the largest initial industrial public offering in U.S. history. It would not have been possible without deregulation's revitalization of the rail industry -- a revitalization that enabled a sickly ward of the state to be transformed into a \$1.88 billion publicly-traded, privately-owned railroad. It was thrilling for me to stand on the floor of the New York Stock Exchange as eager investors bought every last share of the government's stock in Conrail.

We provided a unique opportunity for minorities and women-owned firms in the securities industry to participate to a significant degree in the public offering for the sale of Conrail. The plan not only included underwriting and sales but a "special bracket" for minorities and women to participate in the management of the offering. The inclusion of these firms in all aspects of a financing of this magnitude not only increased the experience of the firms involved, it sends an important signal to the investment banking community that minority and female involvement in large corporate financing transactions, in addition to the traditional municipal financing by state and local governmental bodies, is an idea whose time has come.

And our success with selling Conrail has energized us for the privatization of commercial space transportation. For three years I've argued within the government, that the federal monopoly in space must be ended. In 1986, President Reagan gave the private sector the green light when he announced that routine commercial satellites would no longer be launched by the space shuttle. That announcement heralded the birth of a dynamic new transportation industry which is already moving out to compete with the French, the Chinese and the Russians.

Although we have made much progress, we still have a way to go. Because of continued regulation in the United States, it is cheaper in some trades to ship goods from overseas than it is to ship the same goods within the United States. For example, a retailer in Dallas reportedly pays less transportation cost per garment to import blue jeans from Taiwan than from manufacturers in Texas! Naturally, this difference results in higher prices for American consumers and hurts the competitiveness of American producers. Transportation, for example, averages 25 percent of the cost of a delivered product. Regulation adds an average of 20-40 percent to the transportation

cost. The complete regulatory reform of trucking, according to a recent private study, would save American business \$87 billion in distribution costs over the next five years and increase their competition against foreign imports. That's why President Reagan has put deregulation in the trade bill: it's not just deregulation, it's our survival as a player in the world economy. Deregulation is one piece of trade legislation that really works.

It works because free enterprise, not government, is the source from which our blessings flow. The American spirit of enterprise is sparked by individuals like yourselves who dare to dream, and who are willing to work to make your dreams come true.

A fellow North Carolinian for whom I have great respect is Barbara Proctor, who grew up in Black Mountain, North Carolina, in a house with no running water or electricity. Through sheer determination, she earned a college degree in three years and went on to become the first black woman in advertising in Chicago. Barbara Proctor quickly rose to the top of the company, then started her own business, Proctor & Gardner Advertising, with an \$80,000 federal loan. That was in 1970. Her company had \$13 million in billings in 1983. Barbara Proctor serves on numerous Boards of Directors, has received countless awards and has been cited by Business Week as one of the 100 top businesswomen in America.

Words like unachievable, unattainable, impossible and unimaginable have never been a part of the American businesswomen's vocabulary. And it shows. Your success not only speaks well of the American system, it strengthens it. And how proud I am to join in promoting commitment to excellence that spans 52 weeks of the year, and which heralds the female entrepreneur in an economy more than ever dependent upon her for its progress and its potential.

One of the greatest American women was Helen Keller, an inspiration to millions over the years. Helen Keller's philosophy of life can be summed up in a single sentence, "One can never consent to creep, she said, " when one feels an impulse to soar." Obviously, you are already soaring. May I wish you every success, collectively and individually.

Thank you very much and God bless you all.

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