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SECRETARY OF TRANSPORTATION ELIZABETH HANFORD DOLE
LATIN CHAMBER OF COMMERCE OF THE UNITED STATES
MIAMI, FLORIDA
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I want to congratulate you on the outstanding job the Latin Chamber of Commerce has done in organizing this event which celebrates Hispanic business women. And clearly, the women you are honoring tonight represent private enterprise and the public sector at their best. In fact, I am very proud that two of the people you honor have served with me in public service. Adis Vila and I worked together at the White House when she was a White House Fellow and I was Director of the Office of Public Liaison. Today Adis is Secretary of Administration for the State of Florida. Before becoming a highly respected public servant, Adis practiced international law. She did an outstanding job as a White House Fellow. I happen to know a bit about the program since I am an "Also ran."

Another of the people you've honored is Ampy Bouchey, who serves at DOT as my Director of the Office of Small and Disadvantaged Business Utilization. Ampy is doing a superb job. She came to the Department with impressive credentials -- having been with the Agency for International Development -- where she was special assistant to the Assistant Administrator for Latin America and the Caribbean. I appreciate all that you do Ampy, in service to others.

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Because of my close professional relationship I have enjoyed and continue to enjoy with Ampy and Adis, I've gotten to know some important things about them. But you would not be surprised by what I've learned. For their qualities are typical of the Cuban-Americans I've known. They worked hard to achieve success and they never forgot what their achievement was rooted in -- family and traditional values. And another example of achievement of excellence: Carolina Mederos, also Cuban-American. I selected Carolina to chair my Safety-Review Task Force. When I have an especially tough job to be done and want the assurance that it will be done right -- I call on the Task Force. Recently, I selected Carolina for the Secretary's Gold Medal -- the award for outstanding achievement -- for her work in improving the safety of all modes of transportation.

In focusing on the many accomplishments of the women we honor tonight -- I am reminded of one of the greatest of American women, Helen Keller, an inspiration to millions over the years. Her philosophy of life can be summed up in a single sentence, "One can never consent to creep when one feels an impulse to soar." Obviously, these honorees are already soaring. And the Latin Chamber of Commerce is already soaring. May I wish you every success, collectively and individually.

There is another success story here as well. Miami, Florida has become the "Gateway to Latin America and the Caribbean." While many people know the state of Florida as a vacation mecca, more and more people, particularly in Washington, are viewing Miami in another light. Much like New York and London, Miami is not only being considered a capital of commerce, but just as importantly, is a bridge to the Caribbean and Latin America. And as its present importance grows, so will America's relations with other nations in this hemisphere.

Miami would not have achieved this important role if it weren't for the foundation that you in this community have constructed -- a foundation of free enterprise that builds not only good business but good will, as well. Each time in our nation's history that a people comes to America -- they remind us of the virtues of our great country. And this is so very true of Cuban-Americans. For whatever you have received from this land you have returned tenfold. Indeed, in Miami, the fruit of your labor, benefits not just Dade County, not just Florida, but our entire nation as well.

The American spirit of enterprise is sparked by individuals like yourselves who dare to dream, and who are willing to work and work hard to make your dreams come true. The American dream has never been more alive than here among Cuban-Americans. And similarly, timeless and tireless American virtues have never been more alive than here, among you. Your respect for God and country are the basic principles that have made America great. These are the same values that have blessed this land and set it apart in the family of nations. The record of the Constitutional Convention, 200 years ago, leaves no doubt that our nation's founders were sustained by their faith in God. As George Washington once said, "Of all

the dispositions and habits which lead to political prosperity, religion and morality are indispensable supports."

That sentiment was echoed years later by another country's founding father -- a man who tirelessly promoted freedom and defended it against tyranny. Jose Marti wrote: "To be religious is inherent in being human. An irreligious nation will die, because nothing in it will nourish virtue."

We are called to meet the challenge of defending freedom in a dangerous, sometimes desperate era. Since taking office, the President has made significant headway in rebuilding our defenses and making America more secure. Now is no time to rest on our laurels, or let down our guard. Skimping on defense now could undo all that's been achieved. It could undermine not only our own security, but that of our closest friends.

There is nothing new to the cries for less defense and more domestic spending. During one debate in the Constitutional Convention, a delegate rose to his feet and moved that "the standing army be restricted to 5,000 at any time." This prompted George Washington, as presiding officer, to suggest an amendment of his own -- to prohibit any foreign enemy from invading American soil with more than 3,000 troops!

Back in 1981 -- there was good reason to wonder where America's economy was going. Interest rates had hit a high of 21 percent, the highest since the Civil War. Inflation was in the double digits. And this same inflation was pushing Americans into higher and higher tax brackets. And America was suffering from the lowest annual rate of growth in productivity of any major industrial nation.

Few doubt the strength of the American economy today. For 54 consecutive months we have enjoyed the benefits of economic growth. During that time, productivity has risen. Inflation had declined to the lowest levels since the early 1960s. Unemployment is at a seven-year low, and over 13 million new jobs have been created.

But that doesn't mean that America can afford to be complacent. We must reduce the obstacles to continued economic growth. One of our ongoing efforts must be to reduce that annual federal deficit and our nation's debt. That's particularly true because America competes in a global economy.

Indeed, in today's world economy, global competition is the key to economic survival. The U.S. must continue to free business from unnecessary red tape if we are to remain a world economic power.

Reducing excessive regulations is particularly crucial in transportation which represents one of the nation's most powerful industrial sectors. It is an \$800 billion industry and accounts for about one-quarter of our Gross National Product. It is part of the cost of everything U.S. companies produce and every item consumers buy. A 1986 study by the Brookings Institution, for example, estimated that airline travelers alone

have benefitted 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 more than 100 million -- a 40 percent increase. And air service in Florida has increased by 70 percent since deregulation, one of the largest increases of any state. Many people who never thought they'd have the means to fly, are in the air today.

The impact of deregulation on the nation's railroads has been even more dramatic. 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 10 year capital shortage in excess of \$13 billion. Decreased regulation has revitalized that once dying industry. Service to shippers has improved markedly with faster, more reliable delivery, reduced loss and damage, and more competitive options for both operations and rates. Since the 1980 Staggers Rail Act, railroads and shippers have signed more than 50,000 contracts tailored to the specific needs of individual shippers.

Likewise, the American trucking industry, re-energized by a healthy dose of competition, has never been more vigorous. Since the 1980 Motor Carrier Act the number of trucking firms in the market soared from about 18,000 to well over 30,000, invigorating the industry with new competition. Established carriers have become more efficient and innovative by restructuring routes, reducing empty back hauls, simplifying rate structures and offering shippers incentives to move freight more efficiently. In 1980, total distribution costs, which include transportation and warehousing, were 14.7 percent of GNP. After the Motor Carrier Act, they fell to only 11.1 percent of GNP. That is a drop of 25 percent and represents a tremendous gain for our economy. And we are urging total deregulation of the trucking industry.

Like rail and truck deregulation the 1984 Shipping Act's deregulation of the ocean liner industry has boosted the efficiency of the maritime industry. The 1984 Act has stimulated multi-million dollar investments in new ultramodern containerships, bigger, faster cranes, higher capacity double-stack trains, larger size containers, and automated terminal management systems. The remarkable expansion of the double-stacked unit trains, pioneered by U.S.-flag carriers, is providing major economies in the land-bridge movement of containers. In fact, I was surprised to see that 25 percent of U.S. rail intermodal traffic is now being carried on double-stack container rail cars, a dramatic increase from the 1 percent that the double stacks carried in 1983.

While economic deregulation is one way for the private sector to show what it can do if government gets out of the way, privatization is another.

I've had the chance to visit twice with Margaret Thatcher to talk with her about privatization. The word "privatization" is an awkward word at best. I think they have done a marvelous job in Great Britain. The British

model should be adopted here at home where the sale of Conrail is the flagship of privatization.

I recently had one of the most exciting moments of my life standing on the floor of the New York Stock Exchange as eager investors bought every last share of the government's stock in Conrail. That sale brought nearly \$1.9 billion into the federal treasury. It was the largest initial industrial public offering in U.S. history. After 17 years as a ward of the government, Conrail is now a healthy, publicly traded, privately owned railroad. Had it not been for deregulation, which enabled it to turn a profit for the last five years, Conrail could not have been sold.

And in addition to Conrail, we've also transferred the Alaska railroad from federal government ownership to the state and turned over the last two federally-owned airports, Washington National and Dulles, to an independent regional commission.

Commercial space transportation is yet another example of private sector potential. 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.

We will continue to cut regulation, and to curtail government operations that should be run by the private sector. However, we face a major effort to reregulate by this Congress, encouraged by special interests. I am committed to fighting this turning back of the clock, but I need your help to be successful. You believe in a strong, competitive American economy -- and this, ladies and gentlemen, is exactly what the fight is all about.

Economic deregulation of an industry, however, 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 17 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 415 million passengers traveled 300 billion miles on the major U.S. 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 DOT, we have a mandate to focus on both sides of the problem -- supply and demand for drugs. I've found my own little footnote in history at the Department of Transportation. For I am the first woman to head a branch of the armed services -- the U.S. Coast Guard. The Coast Guard is engaged as never

before in patrolling the waters which surround America, combatting the scourge of illicit drugs which might poison the veins of our young people. You may know that the largest cocaine seizure in Coast Guard history occurred just last month. Off the northwest coast of St. Croix the cutter Ocracoke seized a fishing vessel carrying 3,771 pounds of 98 percent pure cocaine. Just a few days ago, 600 pounds of marijuana was seized on an aircraft at a private landing strip in Broward County. And at the same time, we are moving to combat the demand for and the use of drugs in transportation.

We have had impressive successes 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. But that's not all.

The problem of drug and alcohol abuse is pervasive in American society. That means, transportation is not exempt. To combat drug use in the transportation system, I announced recently a strong program of random drug testing, and counseling and rehabilitation for DOT employees who hold safety and security-related positions and who may be suffering from a drug problem. Also, we'll address such problems among airline and railroad personnel. We are trying to be sensitive to our employees' needs, and provide help with this terribly serious problem. A major element of our program is to provide the means for rehabilitating employees who need help.

But as we move forward with these initiatives, government action must never become so extreme that it threatens the preservation of individual liberty -- another basic purpose of government. Thus, in the implementation of any drug testing program, let me emphasize our watchword at all times will be the utmost respect for individual dignity and privacy.

In closing, let me share with you an experience that Bob and I had when we visited the Soviet Union a few years ago for the U.S.-Soviet Trade Conference -- an experience I will never forget.

At our embassy in Moscow, I talked to members of two families from Siberia, who had sought asylum from the religious persecution they had encountered in their own mother country.

In attempting to reach our embassy's gates, one of the young sons was caught by Russian guards, beaten in full sight of the two families, and then dragged away. Later they learned that he had been sent back to Siberia. It was nearly five years -- separated from their friends and family and living in the basement of that embassy -- before the Soviet government allowed those families to emigrate to Israel.

As we drove up to the airport to begin our long trip home and I looked at that airplane sitting on the runway with "United States of America" emblazoned on its side, I thanked God I could come home to a country where freedom and democracy are more than just hollow spaces. I don't have to tell you about the dangers of tyranny. For I know that too many of you here

were forced to leave your homeland, to break away from the chains of oppression so that you might once again live in freedom.

President Reagan, when he was Governor of California, recalls how he first learned to deal with enormous challenge and stress as a newly-elected governor. "Each morning began," he says, "with someone standing before my desk describing yet another disaster. The feeling of stress became almost unbearable. I had the urge to look over my shoulder for someone I could pass the problem to. One day it came to me that I was looking in the wrong direction. I looked up instead of back. I'm still looking up. I couldn't face another day in this office if I didn't know I could ask God's help and it would be given." Let us never forget the source of our strength and courage.

You, as much as anyone else, know that every citizen has a stake in government that lives up to its noblest promises. Each one of us is obliged to pass on to our children the freedoms that the men of Philadelphia entrusted to us. They created something unique in the annals of history. Let us not only preserve their past -- let us make certain that the present is worthy of preservation, so that in another 200 years, our descendants can say as proudly as we do today, "I am an American."

Un millon de gracias.