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SECRETARY OF TRANSPORTATION ANDREW H. CARD, JR.
STONEHILL COLLEGE - JOSEPH W. MARTIN INSTITUTE FOR LAW AND SOCIETY
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Thank you Francis X. Dillon (VP-College Relations) ... Mr. Greene, for W. B. Mason's endowment of this lecture series on the future of Southeastern Massachusetts. And thank you especially for allowing me to give the inaugural lecture in what is sure to be a most important series.

Anywhere you look these days you see change, nowhere more apparent than on this campus where half a dozen buildings have sprung up in a short time.

Stonehill College has always looked to the future preparing a new generation for tomorrow's challenge. Stonehill graduates are working at senior levels in the Department of Transportation: Ellen Daly Bell, a member of my budget and programs staff; and Brian McLaughlin, senior policy advisor in the National Highway Traffic Safety Administration. I hope you encourage more young people to choose careers in transportation and in public service.

And one who sets an example in public service is the man for whom this Institute is named. It's certainly an honor for me to offer my own tribute to a great public servant.

Congressman Joe Martin represented his district in the U.S. House of Representatives for over 40 years; 20 of which were spent as Republican minority leader, including two terms he was Speaker of the House. Joe Martin was a great man.

For me, it's just good to be home among so many friends and familiar faces. I see ...

This year and my present job have been filled with many exhilarating moments and several very sad ones. The greatest thrill, of course, came for me when a kid from Holbrook was sworn in as Secretary of Transportation. President Bush was there at the ceremony at the Air and Space Museum in March.

However, a very sad and sobering moment came several months later and hit close to home. I was President Bush's representative, leading the Hurricane Andrew Relief effort in South Florida, when I was told of the death of Lance Corporal Sean Turco of Brockton. Corporal Turco was one of 28,000 U.S. soldiers in Florida on a humanitarian mission to help the victims of Hurricane Andrew. He died of a heart attack after eating a late dinner -- a meal he delayed until after 10 p.m.

He was eating late because after putting in a full days work he'd volunteered for extra duty helping the victims. My strongest sympathy for his mother, Mrs. Linda Turco of Easton. Mrs. Turco, you should be proud of your son, for his commitment demonstrates the very best of the American spirit -- going the extra mile to help those in need. **(Pause)**

That the W.B. Mason Forum made transportation the first of its new "look toward the future" series indicates your keen sensitivity to the challenges and change taking place in transportation. You understand its importance to economic growth.

Southeastern Massachusetts is a microcosm of the whole country. Today I'd like to speak of three innovations in transportation, each of which made or is making a revolutionary mark on our country, and our southeastern Massachusetts community.

The first of these great transportation innovations was the establishment of a strong national railroad network. This, of course, did not happen overnight, but everywhere the train arrived, so too arrived jobs and prosperity. Sound transportation links make steady economic progress.

Most of you know this university is located on the Ames estate, but perhaps you did not know this: the Ames Company made a shovel that played a humble but vital role in the construction of American railroads. And by the turn of the century that construction had created an economic revolution in America. (In 1869 the Golden Spike was driven into a rail in Utah, linking East and West; and the next 70 years belonged to the railroads.)

Holbrook, for example, was the shoe manufacturing capital of the world until the early 1900's when the local railroads were built. When the railroad depots were located in Brockton, the shoe industry moved closer to the train depots -- making Brockton the shoe capital. The recurring link between prosperity and reliable transportation could not have been made more clearly.

Congressman Joe Martin was a part of the second innovation. He was House Republican minority leader in 1956 when President Eisenhower signed the historic law creating the Interstate Highway System. The Interstates linked our nation and gave us the most mobile society on the face of the earth. The Interstates wove a giant web of progress across the American landscape.

As they near completion today, these super highways bring almost everything we use in our daily lives to our doorstep -- from cars to coffee, candy and clothing.

Today we have given birth to another transportation innovation that equals in significance the establishment of the Interstate Highway System. I refer here to the Intermodal Surface Transportation Efficiency Act that President Bush just signed last December. Like so much of what comes from Washington, this revolution is known by its acronym, ISTEA.

ISTEA is a five-year plan and a federal commitment that authorizes more than \$155 billion for transportation infrastructure -- and over \$5 billion for Massachusetts. It is a commitment to our future.

ISTEA stresses two important new words in the government's lexicon -- intermodal and efficiency. It represents the most revolutionary approach to thinking about transportation since the creation of the Interstates. At its core, it affords dramatically new flexibility to states and localities to determine how transportation priorities are set and how transportation monies are spent; and it places a new emphasis on intermodalism.

Flexibility and intermodalism encompass all the decisions facing Massachusetts transportation and each of those decisions is as critical to the economy as the Ames shovel was to the last century's economic growth.

So Massachusetts is very much taking part in the Bush Administration's revolution in transportation.

Let me say just a bit about intermodalism and ISTEA flexibility. My job and that of the federal government is to help construct a truly intermodal, seamless transportation system. For our economy to thrive, the movement of goods and people from one point to another must be quick and cost effective. Intermodalism -- a technical term for a simple idea -- focuses on the coordinated transfer of freight and passengers from one mode of transportation to another -- such as from ship to train, truck to plane. These transfers are critical to efficient transportation.

Our system is only as strong as its weakest link; and unfortunately that link today is all too often at those intermodal points. As a country, if we succeed in strengthening these key linkages between modes, we will succeed in providing a flexible, responsive and market-oriented transportation system.

If we fail to address intermodal concerns, transportation bottlenecks with significant economic ramifications will emerge.

ISTEA has already provided the mechanism we need to seek flexible, market-driven solutions to our intermodal problems. In FY '92, for example, that flexibility allowed over \$260 million previously designated as "highway money" to be transferred to transit projects. One of those projects funded in this way was at the South Street Station. And we expect a transfer of more than \$600 million in flexible funding to mass transit in the current fiscal year. ISTEA also provides flexibility by requiring active state and local participation at every stage in the formulation of policies tailored to local needs, and in the final decisions about funding priorities.

The keystone of the ISTEA highway transportation network is the National Highway System (NHS). It will be a 155,000 mile network, consisting of the Interstate System and principal arterials that will be identified over the next two years.

The NHS is critical to economic vitality and its route will be designated in close cooperation with state and local officials and with Metropolitan Planning Organizations (MPOs).

Here is where we need to be aware that our governmental structure in Massachusetts is a little different from the rest of the country in one respect. In New England, the towns have more power than the counties, and the reverse is true in the rest of the country.

ISTEA gives the MPOs, which are primarily county and regional groups, much more autonomy than they have had in the past. So the message is clear -- get active in your MPO. See who is on the planning board and what they are doing because that is where the big decisions in transportation will be made. You will find that the Bush Administration's revolution in transportation is customer-oriented. And the revolution is still unfolding. We've obligated billions of dollars for surface transportation construction, creating hundreds of thousands of jobs.

But for the revolution to reach fruition, let me stress that Congress must be a willing partner in supporting the new transportation revolution.

Too often they are paralyzed with indecision and driven by a lust for pork. This fiscal year, for example, the Congress appropriated about \$1.2 billion less than what the President requested for highway construction. What they did authorize was larded with special interest projects that constrict local flexibility. Examples abound: legislating a Washington bridge opening and closing schedule; failure to pass a trucking deregulation bill; and failure to enact a maritime reform bill that would have breathed new life into an industry vital to national defense. Congress micromanaged the surface transportation budget until 100 percent of discretionary transit funds were earmarked for Congressional projects. No flexibility for states and cities -- zip. And the list goes on.

But good people and good ideas win out over even the heaviest obstacles. Our transportation agenda will be completed. The revolution in transportation cannot end with ISTEA. I'd like to close by mentioning three elements of the nation's unfinished transportation agenda: trucking deregulation, maritime reform, and aviation liberalization.

Southeastern Massachusetts -- with its truck and train links -- is the crossroads of New England, and its continued growth depends upon completing the job of economic deregulation of the trucking industry. We are not going to deregulate safety in any mode. But nationally unnecessary trucking regulations are costing our economy \$3-8 billion a year. In Massachusetts, state regulation alone is costing \$144 to \$189 million a year.

This drag on our economy cannot be allowed to continue to limit productivity and stifle progress. We must complete the job of trucking deregulation. And more needs to be done. Besides building highways and deregulating the trucking industry, we must also achieve maritime reform.

Massachusetts, like America herself, is a maritime state -- an international commerce state. This country's maritime industry is just too important to our economy and to our national security to stick with the status quo. That's why the Bush Administration pushed for the boldest, most comprehensive maritime initiative in decades.

It drew from basic principles such as relying on a free market to the extent possible; loosening up Washington's regulatory grip on industry; decentralizing by providing increased flexibility in the use of federal funds; and strengthening partnerships between government and industry and between Washington and state and local governments.

In a word, our proposal charts a new course for America's merchant marine. It was born of the same spirit that produced the eminently successful deregulated transportation markets of the past decade. It's time to apply those same principles to maritime -- in a way tailored to the industry's unique problems.

Our proposal didn't move an inch in the last Congress, but let me assure you that maritime reform is an idea whose time has come. And it must be accomplished.

Any agenda for transportation's future also should include this firm commitment: ISTEA must be left to do its job without Congressional micromanagement.

And we as a nation must continue to carry our "seamless transportation system" beyond the boundaries of the United States and beyond the limits of surface transportation. We must aggressively pursue our "open skies" policy all around the world.

Shortly after taking office, I announced that we would grant "open skies" to the airlines of any European country that agreed to deregulate completely the air services between our territories. Our recent agreement with the Netherlands is the first such accord. It is a good deal for both countries. And we must continue to seek other such partners. These are the essential building blocks of a more competitive international aviation market. The new U.S.-Dutch agreement should make clear that the future will not rest with those who would cling to governmental constraints on air service. The simple truth is that the demand for air travel, and competition will overwhelm efforts of foreign governments to manage the markets.

"Open skies" is an important accomplishment of the Bush Administration and it is something that will continue because it's good for travelers all across the globe.

Every citizen in this room has stake in our agenda, and I challenge you to renew your commitment to transportation's future. We have the safest, most efficient transportation system in the world. With your support, we will continue to be the best.

Thank you very much.

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