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REMARKS PREPARED FOR DELIVERY
SECRETARY OF TRANSPORTATION FEDERICO PEÑA
MOVE MASSACHUSETTS 2000
BOSTON, MASSACHUSETTS
JULY 12, 1993

I want to thank Senator Kennedy for that warm introduction and I'd also like to thank Larry Bluestone for inviting me to be with you here tonight to celebrate those who have helped advance the great project that Move Massachusetts was formed to support.

To all those individuals and organizations who are taking home "silver lunch bucket" awards tonight, I'd like to say congratulations -- especially to Jane Garvey, your former Director of Public Works in Massachusetts whom I am delighted to have lured down to Washington.

I can assure you, Jane needs that bucket so she can keep working at her desk right through lunch.

I also want to say "Thank You" to all of tonight's other award winners.

Because the support you have given and the [illegible] involvement of this whole community has been crucial in keeping the Central Artery/Tunnel moving forward -- and we need you to keep up the good fight.

I don't know where you all got the determination to keep believing and keeping on.

Maybe it comes from rooting for the Red Sox!

I hope our Colorado Rockies fans have the same eternal optimism.

I do. I mean, I'm already looking forward to a Red Sox-Rockies world series.

Maybe not this year..... maybe next year.

Seriously, even though I was amazed this afternoon by what I saw touring the harbor tunnel with Senator Kerry, I know that all of you here tonight already realize how striking, even historic, this project is.

The Central Artery/ Tunnel is the largest public works effort in our whole nation. It will create jobs in Boston and all through New England -- now, and for years to come. It will speed commuting and shipping, clean the air, make room for spectacular new parks and re-unite Boston's downtown communities.

So this isn't just a highway project. It's not just a great example of how we must link our modes of transportation seamlessly in the future. It's not just a brilliant piece of architecture and engineering and urban design.

Of course, <u>it is all</u> of those things, but it's more: this is a city-building project that will re-shape Boston for generations. It's a sort of urban "heart transplant". When this work is complete, there will be grass and trees and

pedestrians in places they haven't been seen in downtown Boston since the Pilgrims' cows first laid out the streets.

Punching through bottlenecks is something that the Department of Transportation is committed to doing all across America -- and this project will do just that. By vastly improving traffic flow through the city and by connecting the Mass Pike to the airport and harbor, this project will sustain Boston's role as a pioneer in transportation policy and as the engine that drives the whole New England economy.

The harbor/tunnel is a perfect example of what we call "intermodalism" -- the linking of our highways and rail and airports and harbors. We believe this is the key to extracting maximum efficiency from America's fast-maturing transport structure.

We believe that it also serves President Clinton's most basic goals -- getting America's economy moving again, creating new jobs that will last, investing in our people and our infrastructure, building America's competitiveness in the world economy and improving our environment. It also reflects this Administration's bedrock belief that in everything we do, we must use the power of government to make the American peoples' daily lives better.

Restoring the word "Express" to what you call the "Southeast Distressway" is certainly part of that.

But there's something more at stake in this project, something that could heal the wounds in our national spirit. As my friend Congressman Norman Mineta of California said recently, "In this century, America has been envied as a nation that could almost <u>will</u> success in

anything we set out to do or build.....but .....we've lost some of that reputation -- even among ourselves -- because we have left too many great projects undone...or unbegun."

Because we've drifted and delayed, there are many people today who doubt that we Americans can still dream big dreams, plan them well, and make them come true. But I know what John F. Kennedy would say to those doubters and skeptics:

"Let them come to Boston .....

"Let them come to Southie....."

Because the sandhogs and architects and truckers that are already at work here are proving -- every day -- that the spirit that dredged the Erie Canal, built the Brooklyn Bridge and filled in the old Back Bay is still alive and well -- and ready for the challenges of a new era.

In the great projects of our time the new challenges call for the wisdom to see far into the future, the courage to fight for your vision, and the willingness to give our communities a fair say in the decisions that will shape their lives.

In that, especially, Move Massachusetts deserves our praise. Looking over your membership we see contractors and unions, community activists and business groups, environmentalists and architects, carpenters and gardeners.

I don't have to tell you that these groups aren't necessarily allies. Sometimes they can clash and bicker and bring great projects like this one grinding to a halt. That's why it's so wonderful to see you all working together, hammering out your disputes, keeping your eyes on the prize: a more efficient, cleaner, more beautiful city.

You've brought together a much broader community than just road-builders -- because this project is about so much more. It's at least as much about the environment as about transportation. Once completed, we expect carbon monoxide and hydrocarbon emissions here in Boston to drop significantly -- even though far more vehicles will be passing through.

This project has been a training ground for young engineers. It's also been an important "dig" for the young archaeologists who found the corner stone of the original Massachusetts legislature along the route. And it's even going to be a boon to artists, too -- because the $34 million budgeted for tiles and sculptures and other esthetic improvements will be the largest arts program in New England for years to come.

Finally and fittingly, this project is about neighborhoods and democracy. Nothing could be more appropriate for this historic city -- where our American democracy was born and where people so cherish their neighborhoods.

One day soon, those neighborhoods will be linked by new parks and walkways after years of being cut off from each other -- and the people of those neighborhoods will have worked democratically to shape their own destinies.

We are long past the time when experts and urban planners can simply dictate the scope of huge projects and ram them through peoples' homes against their will.

Just as we welcome the fact that the Intermodal Surface Transportation Efficiency Act of 1991 calls for states and cities, not the federal government, to control most transportation decisions -- so do we welcome the

advice and ideas -- and yes, the objections -- of community groups. They have a legitimate stake in shaping their own futures.

I know that this has led to significant changes in the Artery/Tunnel plan over the years. And that's as it should be. It's important that local communities make a project like this their own.

When it comes to deciding the future of our neighborhoods, the real experts live in Charlestown, in Eastie, in Southie and in the North End and Chinatown -- not just up on Beacon Hill. I'm glad their voices are being heard.

Of course without the perserverence of Massachusetts' political leaders -- there would be no artery-tunnel for all of you to debate and re-shape and make your own.

Ten years ago, there were those who joked about this project as "Tip's Tunnel". But as happened so often, Speaker O'Neill has had the last laugh on his critics. If he could be here tonight he'd probably say, "I'd do it again."

And Tip wasn't alone. Down through the years and through all of the obstacles, John Kerry persevered -- first as Lieutenant Governor, then as Senator. So did Senator Paul Tsongas and Senator Ted Kennedy.

They never stopped fighting for this project. They didn't weary. They didn't yield to the wafflers who said, 'Let's settle for half a loaf -- just build the tunnel and leave the artery alone.'

Congressman Joe Moakley and the other members of the Massachusetts delegation didn't give up or compromise either. They too, kept their eyes on the prize -- as did countless state officials -- beginning with Governor Mike

Dukakis and his Secretary of Transportation, Fred Salvucci. I'm delighted that Governor Weld has endorsed the harbor/tunnel as well and I know we can all count on his unwavering support in the years to come.

All of these leaders understood that only taken as a whole would the Artery/Tunnel project truly transform Boston -- and benefit all of New England.

What they fought for -- and what we've won -- is a project that will create a balanced transport system for central Boston and all surrounding communities. It will be a model of intermodalism that will inspire cities around the country that are seeking creative ways to wring new gains from our existing infrastructure.

When this work is done, our spirits will soar and we'll never regret the years of work ahead of us -- both physical and political. We are on the way to making a

great vision real -- just as those who once dreamed of our Interstate Highway System did.

It's fitting that this project marks the last four miles of that great 42,000-mile System. Perhaps we've saved the best for last -- because the Artery/Tunnel -- embodies all those qualities we will need to look for in the transportation systems of the future.

Our whole country has come to understand -- as President Clinton does -- that transportation does more than facilitate movement, stimulate our economy and connect us to the outside world. We know now that it touches every facet of our daily lives.

If we care now and act now, the transportation system of the 21st Century will link our families and our society together. It will brings our kids home from college while the Thanksgiving turkey is still hot -- instead of

stranding them in crowded terminals. New transit systems will carry people seeking to break the chains of welfare to their new jobs; or bring people seeking preventive care to the clinics they need instead of leaving them trapped, immobile, until they need emergency room help.

Wisely planned transportation will improve, even beautify our environment. It will enhance neighborhoods and communities instead of isolating or spliting them apart. In short, our transportation system will effect our lives and our childrens lives for better or worse for years to come.

That's why the decisions we make today matter so much. That's why you here tonight can be proud of taking a hand in making those decisions.

And that's why if anyone a decade from now wants to see what the right choices on transportation can really mean, my advice will simply be:

"Let them come to Boston."

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U.S. Department of Transportation

News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

Contact: Richard Mintz
Tele: 202-366-4570

REMARKS PREPARED FOR DELIVERY
SECRETARY OF TRANSPORTATION FEDERICO PEÑA
NATIONAL PRESS CLUB
JULY, 15, 1993
WASHINGTON, D.C.

I'd like to thank Clayton Boyce very much for that kind introduction. I am delighted to be here with all of you to talk about my priorities and the role that the Department of Transportation plays in President Clinton's goals for our country.

Interestingly, there are two current events that underscore for me the crucial role that transportation plays in our economy and in people's lives.

The first is the flood now devastating the Midwest -- disrupting trucking, railroads, and river traffic. We have been engaged in helping right from the beginning. I have surveyed 300 miles of the Mississippi River and remain in close touch with the affected industries and states and the Federal Emergency Management Agency.

Our Coast Guard's rescue and relief missions have saved dozens of lives and all elements of the Department are poised to get the Midwest's transportation system up and running as soon as possible.

I think we can all see how the severing of transportation systems through the spine of our country threatens industrial production, affects food prices and disrupts lives. The just-in-time delivery systems that many factories now use, for example, are far more efficient -- yet far more fragile -- more dependent on a national transportation system that actually works.

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But even as the rivers overflow their banks, we are also seeing the great strengths of our transportation system. There are miracles of improvisation as shippers adapt to the worst flood in centuries -- and the system is coping through most of the region.

There are a lot of unsung heroes on those roads and rails and rivers.

To me this underscores our need to remove transportation bottlenecks and make even more and better "intermodal" connections between our highways, our ports, our rail and air traffic networks -- so that they re-inforce each other in ordinary commerce as well as in emergencies.

There's another event, beginning today, with major implications for our transportation system -- and for our nation.

I'm referring, of course, to the budget reconciliation talks in Congress.

The stakes are very, very high.

Many will naturally focus on the details and the political disputes. But I trust we won't get so bogged down in these details as to miss the essential story: that after a decade of drift and neglect we finally have a President who is actually grappling with our deficit -- a President committed to getting this economy moving, creating jobs and making America more globally competitive.

The plan President Clinton proposes will be the largest deficit reduction in our history -- $500 billion in reductions.

It is a fair plan, placing the bulk of the burden on those most able to pay -- wealthy Americans -- and raising millions of working people out of poverty.

It will protect older Americans from the huge cuts in Social Security, Medicare, and Veterans' benefits that the Republicans have proposed.

It will create millions of jobs through tax incentives, investments, and the lower interest rates we're seeing that only a credible deficit reduction plan can guarantee.

Finally, our nation has a President who's willing to take responsibility -- and to take the heat.

And as we saw in Tokyo -- the whole world is watching -- and hoping that America has the courage to change.

I am very, very proud to be a member of President Clinton's Cabinet.

We share the same philosophy of government and the same vision of why investment in transportation is central to our people's future.

And much of the investment we need depends on passing the President's budget.

That's obviously one reason why I support it.

Another is that I understand -- in my bones -- what the President is trying to do.

I recall that back in 1983, when I was elected Mayor of Denver, our economic boom had peaked and we were slipping into deep recession.

After a long-running boom based on high oil prices, real estate development, and a flood of foreign investment -- the bottom just fell out.

Our unemployment rate soared to 2% above the national average; office vacancies hit 31%; foreclosures were sky-rocketing. So were bankruptcies. Property values started to plummet. Our economy essentially imploded. Public morale was at rock bottom.

The only thing Denver was "Number 1" in was in air pollution -- 65 "bad air days" a year.

Much of this was the legacy of a philosophy that had been content to ride the oil boom, failing to invest in needed infrastructure like our roads and bridges.

My predecessors practiced the kind of "don't - worry - be - happy" politics that were so popular in the 1980's.

Those same political forces from the national level also cost Denver millions of federal dollars for housing, community development and other urban programs -- just as I was taking office.

I found myself in a position like a famous French General in the First World War, who said: "My right is collapsing, my center will not hold.....situation excellent.....We Attack!"

And that's just what we did. We were forced to both cut spending and raise taxes in the teeth of the recession.

Believe me -- I learned a lot about bad poll numbers -- Fast.

But we also embarked on a whole series of investments in Denver's future. We invested in neighborhoods and small businesses; we set out to build a new convention center and a new multi-billion dollar airport -- both in partnership with the private sector.

We passed two large new bond issues that I proposed and that the people of Denver supported, to pay for viaducts, bridges, roads, new parks and a new library.

We did it at a time when our people were suffering. They were scared.

And we did it in the face of skepticism from some in Denver who were simply afraid of change.

Others just didn't believe anymore that government could do anything right -- let alone get the city's economy moving again.

Our critics could always cite some reason why we shouldn't act: "We can't afford it.... We'll never finish all the jobs we set out to do." These were those who preferred gridlock and the status quo to taking action and bring change.

Now, does that sound familiar?

I know you might be amazed to hear that we even ran into some doubts and criticism from ..... members of the press!

But we brought that convention center in on time and on budget. Our new airport will open this winter. People are moving back into central Denver. Office vacancies are down to 20% and falling; Denver's unemployment rate is now below the national average.

There are more and better jobs to be had, and the number of bad air days is down from 65 a year to 6.

And most importantly, people feel more hopeful and upbeat about their city. Maybe that's why our Colorado Rockies are setting the all time attendance record for major league baseball this year.

I just want to make two things clear to you:

The first is that investments in our people, our transportation system and our infrastructure were all crucial to Denver's turnaround.

The second is that I am not running again for Mayor.

I love the job I have right now.

I believe -- and I know President Clinton does, too -- that if we have a clear vision of the future, a willingness to make partnerships and the courage to confront tough issues -- even if that's not immediately popular -- we can overcome and succeed beyond our fondest hopes.

Right from the beginning, President Clinton has stressed the central role that transportation and infrastructure investment can play in stimulating lasting growth, creating jobs, and reviving our national spirit.

Investing in our people requires investing in transportation -- because nothing touches all of our daily lives more or has a greater impact on our economy.

The health of America's economy in the future depends on our making the right strategic investments now -- in partnership with state and local governments and the private sector -- what I call, "public-private-public" partnerships.

If we invest wisely, we can spur the development of new technologies -- even whole new industries -- and contribute to a cleaner American environment at the same time.

My goals for DOT are straightforward.

First, our highest priority -- this whole Administration's first target -- is to get our economy moving and create jobs -- both immediately and in the long term -- by making strategic transportation investments.

Second, these investments should be made in ways that will help clean up and even beautify our environment.

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Third, we must integrate all modes of transportation into a seamless system for moving goods and people from coast to coast and within metropolitan communities.

Fourth, we must develop and apply new technologies that will create whole new industries.

And, fifth, we must ensure that all of our investments improve daily life by making travel safer, more convenient and more "human."

This is a vision that goes far beyond the traditional bricks-and-mortar image of the Department of Transportation.

In the brief time that we have today, I would like to focus only on two of these five goals: the application of new technologies, and the "humanization" of transportation.

We are already in the midst of a revolution in transportation technologies that will transform our economy and our daily lives as much as the arrival of railroading and commercial aviation did.

I can foresee American companies leading the world in a range of transportation technologies, and exporting super-sophisticated air traffic control systems, non-polluting vehicles, high-tech safety devices and components ranging from ceramic engine blocks to bridging systems made from composite fibers.

The truth is -- and most Americans are unaware of this -- the early stages of this revolution are already underway. I've seen and touched and taken test-drives on some of these new wonders as I've traveled around the country.

Let me cite just a few examples:

We are already beginning to use the Global Positioning System based on satellites in space to track trains and trucks here on earth and guide ships and airplanes more accurately and safely than ever before.

Texas Instruments in Dallas is developing infra-red vision devices -- used by our military in Desert Storm -- to enhance safety on our roads at night.

The first of a new generation of computerized collection devices are being used now in Oklahoma to eliminate toll booth delays.

We are well advanced on research into "intelligent" highway systems that will speed traffic flows and enhance safety.

In Oakland County, Michigan, I've seen "intelligent" traffic lights that adjust to actual traffic flows -- and speed commuters to work while reducing pollution at the same time.

The Department of Transportation is now part of the Technology Reinvestment Project led by ARPA which
will provide over $500 million in assistance to companies promoting dual-use technologies.

I sought full DOT participation in this effort precisely because of the great potential for using technologies developed for defense in the transportation arena.

It's only a small stretch of the imagination, for example, to conceive new composite materials like those used for the Stealth bomber being applied to coming generations of vehicles and even bridges. In fact, there is a company in California now working on a "Stealth Bus."

The Department of Transportation is also leading the Administration's push for a $1.3 billion investment in new high-speed rail corridors and technical research -- including the design of a world-class, American prototype of a magnetic levitation train.

We hope to "leverage" this initial federal stake to a total investment of over $2.5 billion by encouraging partnerships with cities, states, and private industries.

Together, we will develop new high-speed rail corridors far beyond Amtrak's Northeast Corridor.

In the longer-term, we envisage growth of a new U.S. industry based on manufacturing and maintaining high-speed rail systems.

Our nation, which builds the world's most advanced planes can also build the fastest trains.

Or the best subway cars, for that matter. We are exploring the co-ordination of equipment purchases by local transit authorities across the United States so that we can achieve the economies of scale that would permit American manufacturers to compete with foreign suppliers for transit car contracts.

And we are forging an R&D partnership with Detroit for a new generation of safe, non-polluting automobiles.

All of these technologies are real. They're being deployed now -- and they will be the seedbeds for new American industries, employing American workers, earning American wages.

New as they are, I believe these technologies are crucial to reviving an old American tradition: winning.

We are determined not to repeat the mistakes of the past.

We will not fail again to support the creative genius of our nation and forfeit technological advances to other nations.

As we Americans ride the exciting X-2000 tilt train from Sweden or the Talgo from Spain -- let's remember that this technology was invented by Americans who sold their patents to the Europeans.

As we focus on a Mag-Lev prototype system for America, let's recall that this technology was invented by Americans -- and tested in Pueblo, Colorado, over 15 years ago -- but we lost it to Japan and Germany because our government could not afford to support it.

I am committed to forming partnerships with U.S. scientists, U.S. engineers, and U.S. companies to develop and manufacture the new transportation technologies of the next century.

But as exciting as these technologies are -- as promising for our economy's future -- they must also meet another standard: humanizing our transport system and improving peoples' daily lives.

We have to remember "why" we're investing in new technologies -- we must remember who we serve -- and what values we believe in.

We need to see transportation as more than the engine of economic growth and technology -- but as an integral part of all our policy goals -- even welfare and health care reform and urban redevelopment.

When my good friend Henry Cisneros spoke to you in April he suggested that one reason that "our cities are smoldering" is sheer isolation. Clearly, gaps in transportation have a lot to do with that.

Let me suggest to you, for example, that we won't succeed in putting any real "power" in any new "empowerment zone" unless we see that workers can get to work there and back home and that raw materials and finished goods can get in and out efficiently.

Nor will we succeed in moving people off of welfare unless we ensure that single parents can get their kids to day care centers on the way to work -- without having to take three different buses.

When inner city residents have to travel miles to shop at major supermarkets, when they cannot easily get to health clinics -- then they are trapped in ways few of us can even imagine.

If we're serious about a new national health system that works, we're also going to need to find ways to bring rural people -- like the senior citizens I met in Montana this Spring -- to health clinics. That's the only way they can get preventive care instead of being forced to turn to expensive emergency rooms for help.

Speaking of health care, how can we ignore the human agony and sheer cost of highway crashes -- the fourth leading cause of death in our country?

We lost more than 39,000 lives on our highways last year. There were 300,000 hospitalizations -- more than 3 million injuries in all. The total cost to our society was over $137 billion -- 2% of our gross national product.

Thanks to safer vehicles, seat belts, air bags, tougher drunk driving laws and other measures, those casualties were the lowest in recent decades.

So we have made progress. But can anybody doubt that to build an effective health care system we must do much, much better?

Let me assure you: We will never let up on safety in any of our transportation systems. Our roads, our airways are the safest in the world -- but we will make them safer. Too many precious lives are at stake.

Another part of "humanizing" transportation is simply taking account of the views of the people most effected by the decisions that we make.

I was delighted earlier this week to meet with a coalition of community groups in Boston who are supporting the Central Artery/Harbor Tunnel project there.

They're backing it because it will re-unite the historic heart of that great city with beautiful new parks and walkways. But they're also backing it because they have had a say in designing it -- their voices are being heard.

We are long past the day when "experts" or "technocrats" can devise transportation projects and ram them through neighborhoods without peoples' consent.

We need to weigh human needs -- for convenience, for quiet, for clean air -- even for beauty -- in all our transportation decisions. And we will.

Those are just a few examples of why we need to blend human needs with the technological revolution that's underway in transportation.

Today, our country needs the vision and determination to take bold steps -- some of which won't show pay-offs until the next century.

We must re-kindle the American entrepreneurial
zeal to take risks -- even to make mistakes.

We need what Franklin Roosevelt called "a bold spirit of experimentation."

President Clinton has challenged Americans to "make change our friend."

I am up for that challenge.

To be sure, there will always be doubters and naysayers.

There will be some who are simply too scared of change.

And the worst of it is: they won't all be Republicans!

But we must begin. We will win people over the only way we can -- not only with beautiful visions, but with tangible, step-by-step progress.

The place to start is with the passage of the first -- and the only -- deficit-cutting, job-creating budget in nearly a generation.

We can and will revive America's can-do spirit. And we will build a transportation system that will enhance Americans' safety and prosperity as we carry on the pursuit of happiness.

Thank you all very much. I'd be pleased to take your questions.

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U.S. Department of Transportation

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Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

Contact: Richard Mintz
Tele: (202) 366-4570

REMARKS AS DELIVERED BY
SECRETARY OF TRANSPORTATION FEDERICO PEÑA
U.S. BORDER INFRASTRUCTURE FINANCE CONFERENCE
JULY 16, 1993
SAN ANTONIO, TEXAS

We are in one of the most exciting moments in the history of the Western Hemisphere, a time full of promise of prosperity and economic growth, of friendship and understanding between neighbors. One of the reasons that this is so is because President Salinas de Gortari has opened up Mexico to trade, reformed its economy and spear headed the North American Free Trade Agreement that will secure those gains.

President Salinas has done all of that, not because it is popular or easy, but because this course is the best course for Mexico's future and its people.

And today I would like to publicly salute his courage.

And while I am speaking about courage, let me say that I am also very proud of my own President, President Clinton.

Finally, we have a President who is committed to grappling with one of our most serious problems in our country, that is reducing the deficit, and getting our own economic house in order.

And that will not be easy either.

President Clinton's budget plan which is now before the Congress, offers the largest deficit reduction plan in the history of our country -- more than $500 billion -- and he has instructed me and other members of the cabinet who have spoken before you in the last two days to cut more than 200 different programs in order to get our own budget and our fiscal house in order.

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The plan that we have proposed to Congress and discussed today, is a credible plan because it will bring our interest rates down and bring good jobs for the forgotten middle class and those who live in poverty in our country.

I want to say to all of you, that we are going to get that budget passed. We are going to win that fight for America's future.

And make no mistake -- when the next fight heats up -- and that will be the fight over NAFTA -- and when anyone attempts to spread hysteria or fear, President Clinton and his Administration will be there to meet the challenge.

We know that NAFTA and the agreements we seek on labor and the environment are in the best interests of all of North America, Canada, New Mexico and the United States We know that NAFTA will usher in a era of mutual prosperity and we are committed to getting it passed.

I know that you have heard that from several members of the Administration who have been here in the last few days. That's one mark of our committment to NAFTA. I also want to thank my good friend, Secretary Of Commerce Ron Brown for getting us together to discuss how we can finance the infrastructure needed to secure NAFTA's tremendous potential for future generations.

I would like to personally thank my distinguish friend and visitor and quest Secretary Gamboa and so many of our other colleagues from Mexico who are here today because of the leadership and good will they have showed all during this process.

I hope that each of you know that throughout the world President Salinas' cabinet is recognized as one of the finest in the world, second to none. I have been honored personally to work with Secretary Gamboa and other members of the Salinas' Administration.

We have already met with Secretary Gamboa twice once in Washington in April and then again in June. His very deep commitment to NAFTA is evident in the tremendous amount of personal energy and commitment and attention that he has brought in making NAFTA a reality.

The fact that five members of President Clinton's cabinet and the head of the Export Import Bank have all attended this conference shows that we on the American side will do all we can to facilitate trade between our two countries.

At the same time, we want to be sure that the increased economic activity that will accompany NAFTA will be friendly to the environment and provide new business opportunities for the border region.

That we have met with three border governors, numerous mayors and local officials and the cream of the crop of the U. S. financial industry affirms our belief that partnership between all levels of government and the private sector is key to progress.

And on a personal note, let me say that as a young person who was raised along the south Texas border -- born in Loredo and raised in Brownsville -- and having experienced personally the challenges that we in south Texas and all of us along the border has faced since when we were very young, and recognizing that for decades we were a part of the country, and in many cases, a part of the State of Texas which went unrecognized. I am now absolutely personally delighted to be a part of the team that will help our border regions rise to the potential NAFTA offers.

The case for NAFTA is clean and compelling. Our trade with Mexico is central to the success of the United States' export-driven economic growth. Even without NAFTA, U.S.- Mexico trade has more than doubled in the last five years -- from $34 billion in 1987 to $79 billion in 1992.

That kind of growth and opportunity will skyrocket under NAFTA. Trade between Mexico and the United States is expected to double by the year 2000 and then double again thereafter. This is a phenomenal rate of growth -- but also a challenge.

For example, loaded cross-border truck shipments through my birthplace, Laredo, Texas, rose from more than 266,000 in 1987 to nearly 671,000 in 1992, putting a lot of pressure on border infrastructure and institutions as well. I myself have recently witnessed the 3-4 mile back-up of trucks along the border at congested crossing points.

We must meet the challenge to the infrastructure and our institutions to ensure that the rich economic opportunity of NAFTA does not become a safety and environmental burden on border communities. NAFTA must improve border communities' quality of life, not worsen it.

This critical challenge propels the United States into a new era. It is an exciting era that promises to open huge vistas for private enterprise and private

capital in initiating, financing, building and operating transportation infrastructure projects.

The Clinton Administration gladly accepts public leadership in this important change. What I like to call the "public/private/public" three way partnerships that can evolve in this change will place the government in a different role.

To this point, government's principal role in financing land transportation infrastructure has been that of grant maker. This historic role of the federal government must now change.

Today I'd like to point out a few of the considerations as we pass through that change.

First we must have an accurate assessment of the infrastructure needs along our borders. There have been a number of studies conducted putting together long lists of needs and I applaud those efforts and these studies because they have been done for the first time in decades.

We have to be very sensitive, however to criticism from some that say these studies are simply "wish lists" that some people would like to have. We must make sure that as we compile information about needs along the border, we focus on those that are most strategic -- those what we can justify in terms of economic impact. We must also be sensitive to the very natural competition -- and I've seen it along the border -- From all border cities and towns that want to participate in the economic opportunities that are occurring today and will result form NAFTA.

We must be sure that we work together to bring a sense of fairness and equity in assessing all potential needs and projects.

Most importantly, we must begin to make the very difficult decisions on prioritizing those projects and showing results.

Having said all that, I believe that the land transport provisions of NAFTA itself will solve at least part of the border congestion problem. When trucks are allowed liberal access to Mexico -- we shall have ended theproblem of trucks idling and creating pollution in border locations. Costly empty back hauls on both sides of the border will be reduced.

Now, in addition to the studies which have already been conducted by a number of entities, let me describe what the federal government and the DOT are

doing in anticipation of NAFTA and the challenges it will bring to the border infrastructure.

Under the Intermodal Surface Transportation Efficiency Act which was passed by Congress in 1991 -- otherwise known as "ICE-TEA", we were required to conduct a series of studies, analyze key trade corridors and explore how we could best finance cross-border infrastructure projects in the future.

Two studies are now underway in cooperation with the Canadian and Mexican governments. Both look toward the increased transportation and infrastructure needs that our nations will face as NAFTA comes into being. One looks directly at the potential infrastructure needs on Canada-U.S. and U.S.-Mexico trade corridors. The other focuses on whether the U.S. should establish a special discretionary transportation fund for our border regions. Both studies are due by September this year and will provide us with the blueprint to make NAFTA work.

The challenge of making NAFTA work -- of not only smoothing the flow of commerce but improving the quality of life at the border -- demands a new level of cooperation from all of us. It requires cooperation from the two national governments, from border state governments, cities, regions and users of the transportation systems.

Now, with that in mind, I've been working closely with the state and local officials who ultimately will have to make many of the decisions needed to get the job done. For example, we are working with Henry Muñoz and other members of theTexas Highway Commission and the Southwest Border Transportation Alliance to encourage U.S. Mexican border states to joint planning of infrastructure projects.

We hope that this group will be able to take the ISTEA studies, and break them down to plans for very specific improvements projects within border states.

The second thing we must do is find ways to make our current system of backlogged bridges and highways and rail corridors work better. Most of us realize the challenges of border congestion do not arise solely from inadequate infrastructure. We have already made huge border transportation infrastructure investments -- 33 international bridges and 17 border crossings; plus major highways and railroads leading to and from those crossings.

As we consider the need for major new infrastructure investments, we must also find ways to maximize the efficiency of the current system. It does no good

to build 21st century infrastructure if our institutional framework is stuck in the past.

I will work closely with my colleagues at Customs, INS and Agriculture as well as with the international trade community to make certain that we are exploring practical, imaginative ways to improve the flow of commerce across our borders. I have asked my staff to conduct a couple of case studies to come up with some very specific -- relatively low cost -- proposals on how we can make the system we have today work better.

In addition to that, I believe that we can bring new technology into the current system we have along the border. This is being used around the world to facilitate the transportation of cargo across borders to avoid the kinds of delays we see today.

The other reason I think that it's important that we make extra efforts to make our current infrastructure more efficient is because I believe that is critical to attract private capital and private sector investment to other projects along the border. Let me give you an example.

If we are to encourage the private sector to invest in "bridge X" which is 50 or 70 or 100 miles from "bridge Y" and if we reach an agreement with the private sector to build "bridge X" -- and if we thereafter find ways to improve the efficiency of "bridge Y" -- then the projections of traffic in the bridge originally agreed to be constructed may change as a result of the new efficiencies we've brought to the other bridge.

If I were a private sector person wanting to make an investment in the first bridge -- I'd want to know whether there were plans by either of the governments which would in any way change the estimates of traffic and proper utilization of the bridges in order to generate the revenues to help finance the project. So I think we need to make these studies so that we can resolve uncertainties and so potential private investors will know what the general patterns will be.

The first step we must take is to create financing mechanisms with the private sector.

Earlier this year Dean Marshall Kaplan of the University of Colorado hosted a conference in Aspen of government, financial and academic interests from both sides of the border. We had some very productive discussions on the privatization of infrastructure.

At those and subsequent meetings, I found the private sector very enthusiastic about infrastructure financing. Many of our strongest financial institutions are ready, willing and able to put money into transportation --- if the risks and rewards are in balance.

Certainly there are problems. For example, there's risks associated with the time it takes to complete an infrastructure project -- and the longer the delays, the greater the risks. But these and other challenges can and will be met.

We must also pay attention to the process by which projects are planned and selected for private sector financing. The fact is that governments and private business are not always motivated by the same incentives. Where the private sector's profit motivation would lead to investments in what governments might view as lower priority projects, we in government must be innovative and flexible enough to adjust our incentives to attract private capital to our higher priority projects while at the same time finding ways to support the private sector on its own priority projects.

Fourthly, in future partnerships we strike with the private sector, governments could become equity players and, like our private sector partners, earn a return on our investment. It stands to reason that if the government puts up -- way 20 percent of the cost of construction -- then government and ultimately the taxpayers may share in the rewards. Or we could become debt holders or debt guarantors, using limited public investment budgets to leverage much greater investment from the private sector.

Fortunately, the policy framework that will enable us in the United States to just that is already in place -- in the form of the Intermodal Surface Transportation Efficiency Act (ISTEA), which is only now beginning to bear fruit.

For example, ISTEA relaxes restrictions on the use of toll financing for roads and highways that receive federal aid; it provides for leveraging federal funds with private investments and it opens the way for cost-sharing in the context of public/private partnerships.

Unfortunately, many business people are unaware that these changes have been brought about in our federal law. So the framework is there for the private sector, for example, to put up 80 percent of the funding and the government 20 percent to build a toll road or bridge from which each would share the revenues. Now, it is our job to let business know about these sorts of opportunities.

ISTEA places more decision-making power at the state and local level, allowing flexibility in project choice and financing to officials intimately familiar with regional needs. The opportunities for federal, state and local officials to develop innovative public/private partnerships appear to be limited only by our imaginations and boldness.

I am very excited about these new challenges and opportunities. The key will be to simply resolve on all our parts to find a few projects and do them. There is nothing more convincing or compelling than results.

So I find the promise of NAFTA very exciting and I welcome the challenge of resolving the infrastructure problems that stand in its way.

I believe that the border is where the greatest opportunities for economic growth in the United States lie -- well into the next century. I believe that our border communities will be the birthplace of a job explosion in the 1990's that will help spur our whole nation's economy back to health.

And when Laredo and El Paso and Brownsville are strong, Texas will be strong. If the borders of Arizona, New Mexico and California grow, they'll help pull up their entire states. NAFTA and the cross-border trade it will spur will be powerful catalysts in this process.

I believe that both the United States and Mexico will have much to learn from each other as we resolve the technical and infrastructure aspects of NAFTA together.

But there will be far more to be gained by both nations than better bridges, faster customs processing, easier access for truckers and rail freight, and even economic growth itself.

With every meeting like this, we are forging a deeper linkage between our peoples.

May the friendship and the ties between the United States and the Estados Unidos de Mexico grow deeper with every passing -- day because we need to be good neighbors forever.

Thank you very much.

# # # #

2-87

TALKING POINTS
SECRETARY OF TRANSPORTATION, FEDERICO PEÑA
ST. LOUIS, MISSOURI -- JULY 17, 1993

*** The Clinton Administration has been deeply engaged in assisting people in the flood-striken Midwest right from the beginning of the crisis -- and The Department of Transportation is playing a lead role in those efforts.**

*** The visits of the President, Vice President, myself and other Cabinet members and our meetings with Governors and local officials all underscore the urgency of the Administration's concern and our real teamwork.**

*** All elements of DOT, the Federal Emergency Management Agency, EPA, Commerce, the Army Corps of Engineers and other federal agencies are working in tandem to ensure a comprehensive and timely response.**

*** DOT has mobilized hundreds of Coast Guard men and women including reservists to assist in relief and rescue missions that have saved dozens of lives.**

*** The Coast Guard and the Environmental Protection Agency have surveyed the Mississippi from Davenport, Iowa to St. Louis for leaks of oil or other hazardous materials and are ready to contain any leaks detected.**

*** Regulations requiring commercial trucking licenses have been suspended in the region to allow volunteers with ordinary licences to deliver water and other relief supplies.**

*** The Department's Regional Emergency Transportation Co-ordinators are working closely with hundreds of State employees to get transportation systems up and running. As flood waters recede, DOT will continue to work with States, local governments and industries on recover and reconstruction.**

*** The Coast Guard will work to re-chart channels and re-set new navigation buoys; Federal Highway Administration engineers will asssist State DOT's in determining the degree of damage and reconstruction needs; FAA inspectors will examine flooded runways and re-establish navigational aids.**

*** The disruption to road, rail, river and local air service underscores the crucial role that our transportation system plays in our economy and our daily lives.**

*** Shipments to ports as far away as the West Coast and California have been affected by the floods and it will take weeks before many of the locks along the Mississippi can be returned to operation.**

*** But while there are vast disruptions -- the ingenuity of the transportation industry, the determination to keep trucks rolling and the co-operation between railroads in making lines available to competitors have kept most of the region's systems running.**

*** There are a lot of unsung heroes on the roads and rails and rivers of the Midwest today -- and they deserve our thanks.**

*** Until the flood subsides, it's impossible to assess the final costs of the flood to the federal government or the total economic damage in the region.**

*** What is clear is that the Federal government is responding generously, promptly and more efficiently than ever before.**

*** Tragic as the floods are, they also show the great spirit of Americans helping each other -- whether that help is filling sandbags or providing emergency assistance to displaced families.**

*** This government belongs to the American people and it's our job to be there not only when disaster strikes -- but to follow through in the recovery sure to come.**

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FINAL DRAFT -- JULY 20 at 4:00 P.M.
SECRETARY OF TRANSPORTATION FEDERICO PEÑA
NATIONAL COUNCIL OF LA RAZA - 25TH ANNIVERSARY
DETROIT, MICHIGAN
JULY 21, 1993

I'd like to thank my good friend Audrey Alvarado for that wonderful introduction. And to congratulate another very dear friend, Raul Yzaguirre on his outstanding leadership over the last 18 years.

It's great to see so many familiar faces, including representatives of the four Denver affiliates of NCLR -- Brothers Redevelopment, Inc.; Colorado Rural Housing Development Corp., LARASA and Servicios de la Raza, Inc.

This Silver Anniversary is a time to reflect on battles fought and battles won, a time to rejoice in our accomplishments, a time to plan for the future. And most important, it's a time to renew our commitment to the ideals that have sustained us for 25 years -- the commitment to reduce poverty and discrimination, and improve life opportunities for all Hispanic Americans.

In Hispanic households all across this land, in city halls, in the courts of justice and in the Halls of Congress,

the word "LaRaza" stands for our struggle for justice and fairness and equality.

I am very proud to have been a part of LaRaza's 25 years. Many of us in this room have put our hearts and souls into the fight for good education and effective civil rights enforcement. We know that our struggle is a drama without intermission.

Many of you may recall a book written several years called "Foreigners In Their Native Land," tracing the history of Mexican Americans in the United States. The author praises our accomplishments in the civil rights movement of the 60s and beyond. But he also warns us that "the same problems will crop up again and again <u>until profound solutions are conceived and carried out.</u>"

Ladies and Gentlemen, President Clinton offers those profound solutions -- solutions that are already changing America. I'm very, very proud of the courage he is showing in carrying them out -- starting with his very real commitment to equal opportunity for all Americans.

I believe that President Clinton's goals closely parallel those that you in LaRaza have committed your lives to -- the goals of justice and equality and fairness.

The President promised us a cabinet that "looked like America" and he has kept that promise by appointing four African Americans, five women and two Hispanics to Cabinet posts. I am the first Hispanic Secretary of Transportation and my good friend Henry Cisneros is the first Hispanic Secretary of Housing and Urban Development. Mike Espy is the first African American Secretary of Agriculture and Janet Reno is the first woman Attorney General.

And our commitment goes well below the Cabinet level -- into the ranks of deputies and assistants and even entry-level clerical and career employment and training. President Clinton wants the government of the United States of America to have the benefits of a diverse work force, one that reflects the many cultures that are a part of America.

At DOT, we have taken the President's charge to heart. In my office, we have Katherine Archuleta, my

deputy chief of staff; Michael Huerta, Director of the Office of Intermodalism, which is probably the most important transportation program of this decade; my special assistant, Jeff Morales, our White House liason, Liz Montoya, our director of the Executive Secretariat, Margarita Roque and many others.

The doors of opportunity are opening -- and they will never be closed again!

My own background as a civil rights lawyer told me to look below the surface at the 110,000 employees of the Department for the potential for real progress.

I found that 18 percent of DOT employees are minorities, but just four percent of them are Hispanic -- most of them at low level jobs.

So I have asked Katherine Archuleta to personally oversee a comprehensive effort to recruit, hire and promote more Hispanics and also to make sure that our Department's purchasing process gives Hispanic businesses -- and other minority businesses -- a chance to compete.

We are now developing programs for high school apprenticeships, mid-level career development programs to

break the glass ceiling and programs that will allow direct recruiting of Hispanics to mid-level positions. We are working with the Hispanic Association of Colleges and Universities to prepare more Hispanic college students for transportation-related careers.

And we will completely restructure the small disadvantaged business contracting process if that's what it takes to ensure equal access to the billions of dollars of federal contracts that are let each year.

I want to see loan guarantees, prime contracting opportunities and bonds and insurance programs work for small disadvantaged businessmen and women.

We have a long way to go. DOT and the states and local transportation authorities that implement our programs contracted for nearly $22 billion in goods and services last year and of that $22 billion, Hispanics received $438 million.

These are problems that can and will be corrected, because this Administration is not satisfied with lip service about "diversity" -- we want results.

But beyond federal employment and federal contracting, how are Bill Clinton's "profound solutions" going to affect the lives of the average Hispanic American on the streets of Los Angeles, Denver or Laredo?

The answer is that by investing in our people we will reinvent government and make it work for people. For me, as Secretary of Transportation, that means investing in transportation -- because nothing touches all of our daily lives more or has a greater impact on our economy.

If we invest wisely, we can spur the development of new technologies -- even whole new industries -- and contribute to a cleaner environment at the same time.

My Department's highest priority -- this whole Administration's first target -- is to get our economy moving and create good jobs -- both immediately and in the long term -- by making strategic transportation investments.

I have a number of other goals, but I'd like to focus for you on just one of them: our determination that all of our investments in transportation improve daily life by making travel safer, more convenient and more "human."

When I talk about "humanization" of transportation, what I mean is that we need to see transportation as something more than the engine of economic growth and technology. We have to see it as an integral part of all our policy goals -- from breaking through the isolation of the inner city, to reforming welfare -- even contributing to a new national health care system.

Let me explain.

If we want to help people move off of welfare and into the dignity of a job -- we need to find ways to ensure that single parents can get their kids to day care centers on the way to work -- without having to take three different buses -- or being forced to buy a car that eats up their savings.

And if we're serious about a new national health system that works, we're also going to need to find ways to bring rural people -- like the senior citizens I met in Montana this spring -- to health clinics. Or young mothers in rural Texas, or Oklahoma, or Alabama. I know that LaRaza cares about child health care. My job is to provide the transportation to make it possible.

That's the only way many people can get preventive care instead of being forced to turn to expensive emergency rooms for help.

I know that you're also keenly interested in the extent to which Latinos will benefit from the President Clinton's proposed empowerment zones -- those inner city and rural areas where we will focus tax breaks, small business loans, community banking and other resources to create jobs and hope.

I believe that Hispanics have a great deal to gain. Here, too, our work in transportation is crucial -- because we won't succeed in putting any real "power" in any new "empowerment zone" unless we see that workers can get to work there and back home and that raw materials and finished goods can get in and out efficiently.

That's why one of my biggest thrills in the few months that I've been Secretary of Transportation was announcing a $1.4 billion grant for a segment of the Los Angeles Red Line that serves the East Los Angeles-Pico San Vincente area.

This transit system will bring new life and hope and mobility to the barrio. It means economic growth and development, jobs and access for thousands of our people. That's real empowerment.

Another part of "humanizing' transportation is simply taking account of the views of the people most affected by the decisions that we make.

I know, for example, La Raza has supported the Administration on the North American Free Trade Agreement -- and that one of your prime conditions is that there should be funding to support the infrastructure and protect the environment along the U.S.-Mexico border. People who live along the border are worried about pollution and they're worried about transportation safety. We share their concerns. I want you to know that we are addressing these issues.

I've just returned from San Antonio for a border infrastructure financing conference attended by five members of the President's cabinet. We are working very closely with Henry Muñoz and the Southwest Border Transportation Alliance to encourage U.S. and Mexican

border states to do joint planning of infrastructure projects. And President Clinton is dead serious about negotiating "side agreements" with Mexico that protect the environment in both countries, improve labor standards, and ensure that NAFTA really does benefit all North Americans.

For my part, I intend to see that border residents get the infrastructure they need to open up what will be the greatest economic boom of this Hemisphere in this and the 21st Century.

As a son of the border region myself, I am very optimistic. I find the promise of NAFTA very exciting. I believe that the border is where the greatest opportunities for economic growth in the United States lie -- well into the next century. I believe that our border communities will be the birthplace of a job explosion in the 1990's that will help spur our whole nation's economy back to health.

And when Laredo and El Paso and Brownsville are strong, Texas will be strong. If the borders of Arizona, New Mexico and California grow, they'll help pull up their whole states. NAFTA and the cross-border trade it will

spur will be powerful catalysts in this process and they will bring great gains to Hispanic citizens and businesses -- not only in the border region but all across this country.

My friends, these are exciting times. And the role that transportation can play in reviving our economy, opening opportunities, and serving human needs is a powerful one.

But all of these goals -- all of them -- depend on winning the battle now underway in Congress to pass President Clinton's budget -- his plan for national economic recovery.

The battle lines are drawn -- and the stakes are very, very high.

After a decade of drift and neglect we finally have a President who is actually grappling with our deficit -- a President committed to getting this economy moving, creating jobs and making America more globally competitive.

To succeed, he needs all of our support.

The plan that President Clinton proposes will be the largest deficit reduction in our history -- $500 billion worth.

That will mean lower interest rates for all of us.

Why? Because for the first time in nearly a generation the financial markets can see that we have a President who is serious about stopping the crazy rise in our national debt.

That's why interest rates have fallen nearly 1 per cent since the President outlined his plan.

Lower interest rates mean young people will pay less for buying their first house, or their first car. We are already experiencing that as millions of people re-finance their mortgages -- and save $200 a month or more on a $50,000 mortgage -- far more than any new taxes they'll be asked to pay.

Lower interest rates mean businesses can borrow more affordably to buy equipment or hire workers. Lower interest rates mean more jobs -- and we're beginning to see those, too -- more than 750,000 new jobs since Bill Clinton took office -- and took responsibility.

President Clinton's plan is a fair plan, too. It places the burden on those most able to pay -- wealthy Americans.

For every $10 in deficit reduction, President Clinton is proposing that $5 come from spending cuts, $3.75 from taxes on wealthy Americans making more than $200,000 and just $1.25 from taxes on middle-class Americans.

Of course, our opponents are desperately trying to scare people -- and every special interest group in the country is trying to shift the burden of sacrifice off of the wealthy -- onto people like you. That's right.

When you actually look at specifics -- not hot air -- what you'll find is that the other party has a so-called "plan" that would reduce the deficit by cutting services to the most vulnerable among us.

The other party -- the party of gridlock and privilege and the status quo -- would cut Social Security, Medicare, Veterans benefits and tax relief for the working poor.

And they would do all that, my friends, just to ensure that the very wealthy -- whose incomes went up while their taxes went down in the 1980's -- would not have to pay one thin dime -- not a penny -- not even a peso -- of new taxes to clean up the deficit mess.

We tried that form of economics -- it's called trickle-down economics. It didn't work then and it won't work now.

Bill Clinton ran on a program of change and fairness.

You supported him then --- and he's fighting for you now.

President Clinton's plan offers small businesses the chance to write $25,000 a year in investments off of their taxable income. It offers many of our kids the chance to borrow their college money -- and pay back by serving in our communities as teachers or police. It offers real empowerment zones -- many of them in our barrios -- that will bring new hope to the unemployed and forgotten.

The President's plan will raise millions of working people out of poverty -- by expaning the Earned Income Tax Credit. Bill Clinton believes -- just as I know you do -- that it's just simply wrong that anyone who works full-time at the minimum wage should have to live in poverty in America.

President Clinton's plan will end that disgrace.

And it will protect our people from the huge cuts in Social Security, Medicare, and Veterans' benefits that the other party has proposed.

That's why the President's fight is our fight -- and the time to speak up is now.

Because like La Raza's twenty-five years of struggle, the fight for change doesn't end in the voting booth -- it just begins there.

So I urge you to give us your help -- now. With your help we'll win this fight and get this country moving in the right direction again.

President Clinton has challenged Americans to "make change our friend."

I am up for that challenge.

And I know you are too.

You in LaRaza stood by us in the election.

Stand with us now.

Because the people that LaRaza always fights for -- the poor, the jobless, the sick, the young, the old, the downtrodden -- will be the first to benefit from the changes that Bill Clinton is fighting for.

With your help, we will secure America's birthright for all our people: the right to life, liberty and the pursuit of happiness.

Thank you very much.

May God bless America -- and Viva LaRaza!

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SECRETARY OF TRANSPORTATION FEDERICO PEÑA
SIXTH ANNUAL NATIONAL CONFERENCE ON FEDERAL QUALITY
JULY 22, 1993
WASHINGTON, D.C.

I want to thank Michele Hunt, the new director of the Federal Quality Institute, for that generous introduction, and also to congratulate the Institute itself for this outstanding Sixth Annual National Conference on Federal Quality. This conference gives those of us who labor in the vineyards of public service a time to reflect, a time to take intellectual inventory and plan for the challenges ahead, and a time to honor three truly outstanding practitioners of Total Quality Management.

So let me express my appreciation to everyone who had a hand in this conference for the service you are doing.

David Osborne, in his book "Reinventing Government," tells several dozen anecdotes about people all over this country who have made government more efficient. But not one of the heroes and heroines in Osborne's book uses exotic technology or mysterious management techniques or dynamic new approaches. In fact, the "revolutionary" progress that Osborne so rightly praises has been made mainly by applying common sense.

From school districts in Minnesota to the halls of the Pentagon, Osborne's characters applied the simple rule of Total Quality Management: Involve people in the process of serving people.

TQM is so simple that we sometimes almost want to make it complicated so that it seems to better fit a complex world. I've even seen TQM defined as the

"made in Japan approach" to improving the quality of the federal government.

I ask you: What can be more American than asking people to think about how they can do a better job? And then helping them do it? People taking pride in their work and pulling together to produce a better product is the same driving force that settled the West, created the industrial revolution, put a man on the moon, won our wars and kept the peace.

TQM is clearly made in the U.S.A.

And the Federal Quality Institute deserves a lion's share of the credit for its rebirth and success in this last decade of the 20th Century.

The fact that Vice President Gore and two members of the Cabinet are participating in this conference is evidence of the Clinton Administration's

deep commitment to quality and our confidence in the work of this Institute and everyone in this room.

President Clinton believed in and practiced TQM as Governor of Arkansas, and he means to use it to reinvent the way the federal government works, too.

All of us in this Administration believe that the federal government belongs to the American people and that our job is to serve them and improve their daily lives.

It is precisely because we believe government <u>can</u> play a constructive, creative role that we can see the need for change.

That's why President Clinton has charged Vice President Gore with heading up a top-to-bottom National Performance Review of our government -- with the goal of creating a detailed agenda for

improvement and quality by September. All of us in the Cabinet are working with him on this -- and we've seconded hundreds of our best senior civil servants to this effort.

But the task ahead will not be an easy one. In a government as large as ours, the job of engaging people in raising the quality of their work can seem daunting.

But I guarantee you this -- the National Performance Review we're embarked on will not sit on a shelf -- it will be acted on and it will bring major changes in the way this government does business.

We owe that to the American people. And we need to do better -- much better -- if we are to re-earn their trust that government can get it right and make a positive difference in their lives.

We mean to bring the spirit that the Federal Quality Institute stands for to every branch of the federal government.

As we do so, it's both valuable and fitting that we mark our progress -- and reward those who have made it possible. Recognition for a job well done is in my opinion a crucial part of TQM.

The President's Quality Award Program is an excellent example. Most Americans have heard of the Malcolm Baldrige National Quality Award for private businesses, but few know the federal equivalent -- the President's Quality Award Program.

These awards represent our belief that we must not only encourage the pursuit of excellence, we must reward it and celebrate those who achieve it. Now, there are hundreds of success stories throughout the

government -- but the honorees today really are the cream of the crop.

This is their day. They've earned the right to be proud.

Colonel William D. Rutley, Commander of the U.S. Air Force's Arnold Engineering Development Center, in Tennessee is here to accept the award for a remarkable feat. Arnold, the military's premier aerospace ground test and evaluation unit, used TQM to translate military capacity into a valuable service for private industry.

The Arnold Center has since signed a multi-year testing agreement with a major international aircraft engine manufacturer to use its excellence to strengthen the American industrial base and -- I

might add -- keep flying safer and less noisy, which is very important to me as Secretary of Transportation.

Captain David J. Raffetto, representing the Naval Air Warfare Center Aircraft Division in Lakehurst, New Jersey, has an equally remarkable story of excellence.

His division's job of supporting all of the systems and equipment necessary for Naval aircraft has expanded into support also for NASA, the Federal Aviation Administration, the Environmental Protection Agency and dozens of others who must have dependable quality technical support.

The motto "Quality people, products and services for the Fleet" is becoming a reality for the nation as well.

Finally, we salute Colonel George B. Mayer Jr. of the U.S. Marines, the commanding officer of the Naval Aviation Depot at Cherry Point, North Carolina. The TQM program that Colonel Mayer oversees there is truly expanding the motto "Service to the Fleet" to mean, "Service to the World." Cherry Point is simply the most in-depth aeronautical maintenance operation in the world.

My congratulations to all three of you and to the thousands of outstanding men and women you represent. You and your people are truly the "Right Stuff." Thank you for the examples you've set and again, congratulations.

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U.S. Department of Transportation

News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

STATEMENT BY SECRETARY OF TRANSPORTATION
FEDERICO F. PENA TO THE MIND EXTENSION
UNIVERSITY AND THE AMERICAN ASSOCIATION OF
AIRPORT EXECUTIVES, JULY 27, 1993

Today an exciting and unique concept for bringing higher education to more of America has been announced. By combining the education programming offered through the Mind Extension University (ME/U) and the satellite-based television system, sponsored by the American Association of Airport Executives' (AAAE) Airport News and Training Network, many of our nation's airports will soon become electronic campuses.

Whether it be the employee of an airport, an airline or related business, or a citizen living near an airport, college and graduate degree courses can now be made available using the latest in video instruction technology. A highly educated workforce is the key to our nation's competitiveness in the next decade.

I applaud AAAE and ME/U for their efforts and wish them great success in this new endeavor."

U.S. Department of Transportation
Office of the Secretary of Transportation

400 Seventh St., S.W.
Washington, D.C. 20590

August 4, 1993

Ms. Linda Daschle
American Association of
Airport Executives
4212 King Street
Alexandria, VA 22302

Dear Linda:

I wanted to drop you a note to apologize over my mix-up over the Secretary's statement on the AAAE-ME/U press conference. Unexpectedly, I was out of the office for three days last week with the flu and somethings wound up falling through the cracks.

Please find the statement enclosed. I do hope it can still be useful to you in some way. In any event, let me extend my apologies again and offer to stand ready to answer the call whenever I can be helpful in the future.

Sincerely,

Richard I. Mintz
Director of Public Affairs

Enclosure

2.82

Remarks Prepared for High-Speed Rail VIP Reception
Secretary of Transportation, Federico Peña
Washington, D.C.
July 29, 1993

I'm very pleased to be with you today and especially to have seen the ICE-Train -- which is a very exciting example of high-speed railroading.

As all of you in this room know, the Department of Transportation is backing a $1.3 billion initiative, now before Congress, to support the development of high-speed rail corridors across America as well as research into high-speed rail technologies -- including the design of an American prototype magnetic levitation train.

We believe there are tremendous gains to be had for our nation in terms of economic growth, efficiency and environmental quality through the expansion of high-speed rail services.

Clearly, high-speed rail offers a way to enhance travel between cities suffering from congestion on both highways and air-routes -- and reduce air pollution at the same time.

Everywhere I've travelled across the country, city governments and businesses are enthusiastic about the prospect of developing high-speed rail corridors.We plan to form partnerships with states, cities, and private industries to "leverage" the initial $1 billion in federal rail corridor funds into a total investment of $2.5 billion or more.

This is the seed money that will get high-speed rail moving in America -- and help get our economy moving, too, by directly creating construction, design and engineering jobs.

In the longer-term, we envisage the revitalization of the whole U.S. rail manufacturing industry as the market for high-speed locomotives, rail cars and other components expands.

I see no reason why the nation that produces the world's most advanced planes can't also produce the fastest trains.

And if we can spur high-speed railroading by wise investments today, I can envisage a whole new American industry, employing American workers, earning American wages as they produce the engines of our economic future.

But that hope can only be realized by making strategic investments now -- and those investments are contained in President Clinton's budget plan now before Congress.

Once we pass it -- and I believe we will -- we'll be on our way not only to exciting new experiments like high-speed rail but to reducing our deficit, lowering interest rates, creating millions of jobs and reviving an old American tradition: winning.

Thank you all for coming.

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Remarks Prepared for Delivery
Secretary of Transportation Federico Peña
Metrolink Opening Ceremony
Union Station, St. Louis, Missouri
July 31, 1993

I'd like to thank Representative Gephardt for that very generous introduction and to tell all of you how glad I am to be in St. Louis on an occasion of good news, for a change.

And the opening of Metrolink is very good news indeed.

We are here to inaugurate a public investment that will pay dividends to the people of St. Louis for many years to come.

And we're here to celebrate a marvelous example of partnership between state, city and federal governments and private business.

Together, we have taken a steel bridge across the Mississippi built in the 19th century and made it ready now to serve us in the 21st Century.

By doing so, we will make commuting to St. Louis and to Lambert Airport far more convenient -- and we'll cut down on traffic jams and pollution at the same time.

James Eads would be proud to see his dream living on.

Metrolink has also re-opened railway tunnels abandoned for more than a generation to serve generations yet to come. And serve them, I might add, with a system that links rail, highway and airport in the sort of "intermodal" network that is our goal for the future of American transportation.

By re-cycling these existing infrastructures, we've saved enormous quantities of money and brought Metrolink in on time and on budget.

I am proud to be part of an Administration that is committed to expanding transit funding after years of neglect. We are seeking significant growth in transit funds to help cities across the nation build systems like Metrolink.

For our part, the federal government will have provided $300 million in federal funds by the time Metrolink is finished.

Most of all, though, I want to congratulate the visionaries who conceived this project, the engineers who designed it and the workers who built it.

You've shown us the true "Spirit of St. Louis", and this is your day.

After the crises and alarms of recent weeks, I think it's good to remind ourselves that while we cannot always control nature, we must plan and build for our future -- well after the floods recede.

I know you join me in hoping that the worst of this terrible season of flooding is past.

Many of us in Washington, from President Clinton and Vice President Gore on down have seen these floods first hand. And we've seen the determination and sacrifice of the people of the Midwest as they faced and fought this catastrophe.

Let me assure you, all of us in the Clinton Administration are committed to staying the course of recovery.

We have already made, I believe, the most aggressive, effective response to disaster in our history. And we are not about to let up now.

Long after the adrenelin level falls, the TV cameras go, and there's nothing left but the mud -- we will be working with states and cities and industries all through the Midwest on the long, hard chore of repair and reconstruction.

We mean to demonstrate with deeds what we mean by words like "re-building America" or "putting people first."

This Administration believes that the federal government belongs to the American people -- and the only measure of our success is how well we serve you.

Projects like Metrolink and the many repair works on the Midwest's roads and bridges that we'll see in coming months are all investments in our people and our future.

Because if these flood have taught us anything it's that transportation touches our economy and our daily lives very deeply.

The Americans living along these rivers know that all too well. In fact, if it were not for the miracles of improvization from truckers and railways and others to cope with the disruptions wrought by the floods -- this disaster could have been much worse.

There are many, many unsung heroes on the roads and rails and rivers in this region.

And there are thousands of volunteers who've shown us that however great the raging power of the Mississippi is in the short run, the power of human community will be greater in the end.

As President Clinton puts it, we Americans "are all in this together" -- and together we shall overcome.

As we vow to re-build and strengthen our transportation network and our flood control systems, I believe that we can take hope from the economic promise of the budget that President Clinton is fighting for.

Not only will this budget cut the deficit and keep interest rates low, it will provide crucial investments -- in education, technology and infrastructure -- investments like Metrolink that will improve our economy and create millions of jobs.

The work of cleaning up the Mississippi's mud won't be easy or fun.

Believe me, neither is the work of cleaning up the mess left in Washington by twelve years of huge deficits and sheer neglect.

But I'm here to tell you that we have a President who's commited to a balanced plan of cutting spending and trimming the deficit.

The spending cuts are real. By 1995, we'll have reduced the federal payroll by 100,000 and cut total deficit by $500 billion -- mainly by by taxes on the wealthy best able to afford them.

At the same time, we'll be investing in new technologies, defense conversion, education and worker training to make America more competitive in the future.

That takes courage. And it takes vision. The kind of vision that James Eads had when he imagined the steel bridge across the Mississippi to make St. Louis the "gateway to the West". The kind of vision that the

designers of Metrolink had when they envisaged this great project.

With your help we'll make that kind of vision happen for all America.

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