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ARTHUR J. ROTHKOPF  
DEPUTY SECRETARY OF TRANSPORTATION  
FTA GRANTS ANNOUNCEMENT  
AUGUST 5, 1992  
CHICAGO, ILLINOIS

Thank you, Secretary (Kirk) Brown.

I'm pleased that Governor (Jim) Edgar, Central Area Circulator Chairman (Bill) Weiss, RTA Chairman (Gayle) Franzen, and Metra Chairman (Jeff) Ladd could join me today in announcing the U.S. Department of Transportation's decision to grant more than \$51 million for Chicago area transit projects.

This federal money will go a long way toward helping Chicago modernize its transit system, and, in the process, give a boost to the area's economy.

Rehabilitating Chicago's vast commuter rail system will help everyone in the metropolitan area who must make that daily trip to work and back home again. Those who will benefit most directly will be those who take a train to work. And as the local mass transit system is improved, and more people take advantage of it, less people will hop in their cars to make that drive all the way to work. That means less congestion on your roads and highways, and less air pollution in your communities.

It all gets down to the fact that the different modes of transportation affect one another, and we need to find better ways to link them together. At the Department of Transportation we have a word for this. It's called "intermodalism" -- a transportation concept that is being infused with new life under the leadership of Secretary Andy Card. As we address the country's many transportation challenges, we simply cannot look at one "mode" of transportation in isolation from other modes. In today's highly mobile society, many of us use a number of different types of transportation on a single trip.

My trip here today is a case in point. I got to Washington National by car, flew into O'Hare, and took the CTA into town.

The projects supported by the \$51.6 million in grants that the Federal Transit Administration is releasing today will provide for a more efficient and extensive intermodal system for Chicago area commuters. Here's a breakdown of where the money is going.

We're giving \$18.4 million to the RTA's Commuter Rail Division, or Metra. This money will go toward the rehabilitation of the Northwestern Chicago Passenger Terminal which serves three of the Chicago and Northwestern commuter rail lines in downtown Chicago. Little work has been done on the station since it was built in 1911, and it's in bad need of repair. Just by looking around, I'm sure you'll agree.

The Federal Transit Administration has already provided \$27.5 million for this project, and it intends to give an additional \$50 million in the future. When it's finished, the terminal will be completely renovated, including its platforms, ticketing and waiting areas, as well as tracks and right-of-way.

Another grant of \$16 million will go for various rail rehabilitation projects around the area, mostly for bridges on Metra's commuter rail system that are in serious need of repair. Some of the money will enable Metra to buy and install automated equipment to collect fares on its Electric Division. This project was begun in 1991, and Metra expects the entire fare collection system to be completed by 1995.

The City of Chicago will get \$17 million of the FTA grant money for the preliminary engineering of the Central Area Circulator. This project was officially selected in January as Chicago's solution to finding a better way to get people around in the city's downtown area. It will transport people over eight miles of light rail in 66 rail cars using 28 stations. Together, the city and the state are providing \$8.5 million to meet the local share of the cost for the preliminary engineering.

All told, we at the U.S. Department of Transportation believe that the \$51.6 million we're giving to the Chicago area will provide a significant boost to local efforts to enhance the mobility of area residents.

I'd like now to present a special \$51.6 million check to the Chicago area transit riders. Thank you.

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ARTHUR J. ROTHKOPF  
DEPUTY SECRETARY OF TRANSPORTATION  
M.I.T. CONGRESS ON TRANSPORTATION AND TELECOMMUNICATIONS  
AUGUST 11, 1992  
CAMBRIDGE, MASSACHUSETTS

It is a great pleasure to join you for this important Congress. It would seem that there could be few more significant meetings at this juncture in time than this one. Never before have government and private sector officials from both East and West come together to discuss the future shape of transportation and telecommunications services that span such vast regions of the globe and affect such a large portion of the world's population. It will be a very challenging and invigorating week, and I salute M.I.T. and our Volpe Transportation Center for their vision in organizing this conference.

*The Emerging New World Order*

President Bush has spoken often of an emerging new world order. This gathering represents one of the fruits of that emerging order. It is indeed sobering and heartening to see so many from the former Soviet Union and eastern and central Europe gathered here in a spirit of cooperation, and in anticipation of forging partnerships with American counterparts in business and government.

How different the world is today from that time, 51 years ago, when Winston Churchill spoke of an "iron curtain" separating East and West. But Churchill actually looked to the future in hope. He called for, as he put it, "the establishment of conditions of freedom and democracy as rapidly as possible in all countries." With amazing foresight, he also called for "a kind of United States of Europe" and an end to the old nationalistic quarrels. While the new world order continues to suffer the birthpangs of nationalistic quarrels, it has already produced "the Liberated Europe" which Churchill envisioned a half century ago.

Just three years ago, the iron curtain still cut through the heart of Europe. Today, it seems it has long since fallen. Before the year is out, the European Community hopes to forge ties of unprecedented unity, and the United States, Canada, and Mexico may well sign a North

American Free Trade Agreement. Next week will mark the first anniversary of the events that led to the breakup of the Soviet Union. As President Bush has said, "The fate of that revolution, the future of democracy in Russia and other new nations of the old Soviet empire, is the most important foreign policy issue of our time."

### *Expectations for this Congress*

By historical standards, the world is moving at an exhilarating pace. It is my hope that this Congress will help us stop for a moment, catch our breath, and begin to consider new ways we can strengthen economic and commercial ties between our countries. There are a great many ways we can profit from one another's resources and expertise. Perhaps nowhere is that more evident than in transportation and telecommunications.

It is difficult, if not impossible, to imagine a viable and lasting new world order without efficient transport and communications throughout all regions of the globe. They were certainly key to America's economic success as we expanded across the North American continent from the Atlantic to the Pacific. Efficient transport and communications created a society where individuals had unprecedented mobility. And they gave businesses unprecedented opportunity to move manufactured and agricultural goods quickly and cheaply.

In tandem with the growth of commerce and industry, we developed canals in the 18th century, railroads in the 19th, and our national highway and aviation systems in this century. It is essential to point out that we built our transportation infrastructure over the years in a basically decentralized economy. Washington often provided the leadership, and the funding, but we worked closely with state and local government. And we relied upon the entrepreneurial energy and genius of the private sector to get the job done.

This leads me to the central message I would like to leave with this Congress. It is the same message President Bush delivered to the U.S./Russian Business Conference in Washington in June. To borrow the President's words, this is the message: "Neither government

programs nor multilateral assistance is going to get this job done. Private sector participation in the economies of Russia and the other [newly independent] states, especially involvement by American business, is critical to the success of [their] bold venture into free markets."

### *The Promise for the Future*

There is much the West can do to help the East unlock its tremendous potential -- to get economic development moving as quickly and effectively as possible. All sectors of Western society -- government, private business, academia, financial institutions -- have unique contributions to make in this effort.

That's why I believe this conference holds so much promise. Perhaps there is no better way to stimulate new commerce than to have some of our respective business enterprises meet in a forum like this to share experiences and exchange ideas. And there are no industries more vital to a nation's economic growth and international competitiveness than telecommunications and transportation. They are among the most basic building blocks of the global economy.

As the world economy evolves and expands, new transportation needs must be satisfied. The challenge of renewing the transportation infrastructure of eastern and central Europe and the newly independent states is daunting. But we cannot turn from the task. These nations face many difficult decisions as to how to best allocate their limited transportation resources. Their success in meeting that challenge is critically important to the rest of the world, particularly the West. As each nation builds upon its own special strength and begins to compete in the global marketplace, every nation will benefit. Ultimately, the standard of living will be raised for all.

### *Transportation and Information Technology*

But it will not be sufficient to focus on building new infrastructure and rehabilitating that which already exists. To build the transportation systems of the future will require a broad range of

approaches. One essential approach will be to utilize our existing infrastructure more effectively -- be it airways, highways, railways, or waterways. A key to this approach is to take full advantage of information technology -- to apply advances in computer and telecommunications technologies to every facet of transportation.

Sometimes this is described as overlaying an "information infrastructure" on top of our transportation infrastructure. It is a powerful, if not revolutionary, idea. And it is an idea that is already being put in practice today, although its ultimate potential has barely been tapped.

### *Global Positioning System*

The most far-reaching example of the interplay of information and transportation infrastructure are satellite-based communications and navigation systems. The U.S. system is called the Global Positioning System, or GPS. The system being developed by the former Soviet Union is referred to by its acronym, GLONASS. Just two years ago, we didn't know for sure if our Defense Department's GPS system could one day be used for civil aviation. But today, with the end of the Cold War, this military technology has become the key to the global aviation system of the future -- not just in the United States, but throughout the world.

About a year ago, the U.S. government announced its decision to make this \$10 billion system of 24 satellites available to the whole world for a ten year period, starting in 1993. We will offer it absolutely free of charge to all civil users, and there is a similar offer pending for the use of GLONASS. And we are now working with other nations to develop ways to use GPS and GLONASS satellites as the foundation for the world's first truly global air navigation system.

There can be no question that a global satellite system will bring a new golden age in aviation -- in communications, in surveillance, and in navigation. It can provide the means to increase traffic capacity, boost efficiency, and enhance safety for private pilots and commercial airlines from every corner of the globe.



But satellite technology offers much more. It will surely revolutionize air travel, but it will also create a revolution in surface transportation as well. When this military technology enters civilian life, it's going to transform just about every form of ground and water transportation.

### *Maritime and GPS*

In the years ahead, satellite positioning technology will be used over the whole spectrum of marine activity. Right now, for example, the U.S. Coast Guard plans to use GPS technology to position navigation aids, such as buoys and markers, far more accurately than we can with present technology. We believe the precision of GPS navigation will eventually guide heavily loaded vessels safely into shallow channels that are now off limits.

So, there's no question that GPS and its related technology will be of great benefit in the air and on the water. But the biggest payoff should come from the greater efficiency and safety this technology will provide for transportation on the ground -- on our roads and highways, on our railroads, and in our mass transit systems.

### *IVHS and GPS*

Our Federal Highway Administration is taking the lead in the United States in developing an Intelligent Vehicle Highway System, or -- as it's sometimes called -- the "smart cars" and "smart highways" concept.

This evolving array of advanced communications technology will send real-time traffic information directly to drivers through special units in their cars. It could warn of accidents and delays ahead, and could offer alternative routes to avoid congestion. Moreover, traffic signals would adjust to changing road conditions to regulate the flow of traffic more efficiently.

The development and testing of a smart highways program, however, cannot be done by government alone. Industry and the academic community must also be heavily involved. In fact, we're already working in partnership with state governments and private industry in



two major operational tests that are studying the use of GPS navigation as an element in the smart highways concept.

In another IVHS area, public/private partnerships are testing systems to collect tolls where a driver doesn't even have to stop his car. An electronic scanner simply reads a special identification sticker on the car and the driver is automatically billed for the toll. These systems are safer, more efficient, and obviously more convenient.

### *Railroads and GPS*

Not only are we developing smart cars for smart highways, we have already developed "smart trains" for our railroads.

From its earliest days until very recently, the railroad industry was vexed by the problem of how to keep track of its cars and of its customers' shipments. This is not a simple problem. Our railroads operate 1.2 million freight cars over a national rail network three times as long as the Interstate Highway System. The problem is complicated by the fact that railroads often serve customers whose shipments start on the home line but end hundreds of miles away on some other railroad. It is a vast, complex system, and it is always changing.

But now the industry is moving fast to employ advanced microprocessor and digital communications technology to improve its command and control operations. They call it the Advanced Train Control System. In one application, the system uses GPS to provide real-time reports on train movements and the picking up or setting out of individual boxcars.

### *Mass Transit and GPS*

Finally, we're seeing the GPS network applied to mass transit operations. The Department of Transportation is providing funding for Automated Vehicle Location systems for transit projects in four U.S. cities.

These are just a few of the many ways that we are utilizing advanced information technology to revitalize our country's transportation systems. Other information systems, such as airline computer reservation systems, are indispensable to the operating and marketing success of our entire airline industry. The highly successful international express freight industry, which uses just about every form of transportation available, relies extensively on advanced communications technology to deliver millions of packages around the globe every day.

I wish I had time to tell you about these and other transportation initiatives we are pursuing in the United States. But I am sure you will be hearing more about them in the days ahead. I hope I have whetted your appetite for what is to follow.

### *Conclusion*

At the heart of all of President Bush's economic policies is his fundamental faith in a free market. It remains the best judge of how goods and services should be produced and distributed within society -- constrained only by concerns for public safety and fairness. This is why the President recently issued an Executive Order providing guidelines for increased privatization of government assets.

We know it will not be easy for the newly independent states to shift from command economies to the hard realities of the marketplace. But we stand ready to help in whatever way we can. Already, our Federal Aviation Administration is working to open better air routes over Russia, and is helping to revamp the former Soviet air traffic management system. Our Federal Railroad Administration and Federal Highway Administration are both actively working on major technical assistance programs. It is my hope that this Congress will spur great, new efforts at mutual cooperation -- to the benefit of all our peoples.

At the beginning of my remarks, I referred to Winston Churchill's "iron curtain" speech of a half century ago. He said then that they were "anxious and baffling times." But he remained steadfast in his hope that

all nations would some day experience, in his words, "the inauguration and enjoyment of an age of plenty." Let us hope that the dawn of that age is upon us.

Thank you very much.

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