AN ANALYSIS OF THE NATIONAL TRANSPORTATION POLICY

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In this speech given at the Eighth Annual Air Law Symposium sponsored by the Journal of Air Law and Commerce, Secor Browne, past-chairman of the Civil Aeronautics Board examines the problems facing our national transportation system. Past-chairman Browne calls for an increase in the policy-making power of the Secretary of Transportation under one regulatory agency. He also examines the comparisons of fuel efficiency of various modes of transportation, pointing out that comparisons based on passenger miles per gallon ignore factors such as actual trip distances, infrastructure costs, and time considerations.

TONIGHT I would like to take a look with you at what I consider to be the whole transportation picture and its problems. Apparently John McFall, Congressman from California, has become the Congress’ voice concerning our national transportation policy and national transportation system. We apparently do not have either. Secretary Brinegar has said publicly that resource allocation is out of balance and the regulatory framework is out of date. I agree with him in both instances. We probably have as many policies as we have transportation modes. There are waterways, highways, railroads, maritime, and air transport. Each has its own labor, management, disaster, and public interest components; all operating under statutes that regulate and promote each mode in a vacuum which excludes or ignores the others. The

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result in duplication, inefficiency, and waste of resources turns out to be perhaps more prodigal than we can afford. I think we waste money, materials, and, particularly of recent note, our energy.

Somehow the whole system or lack of system seems to be caught in a certain amount of legislative and regulatory cement, and I think the Congress is faced with tough decisions that will involve effort, time, patience, and the political courage of which we do not seem to see too much of lately. Perhaps, most conspicuously, the two areas of administrative and regulatory organization require the attention of Congress. First, the administrative section of the Department of Transportation has been called a toothless tiger only because it was so created by the Congress which, in perhaps inevitable political compromises, did not put all transportation modes together in that Department, leaving out most importantly the maritime industry. Perhaps even more seriously the Secretary of the Department was not given the powers to truly operate with existing policy or create new policy. The Secretary's office is simply a layer thrust upon other layers of transportation organization like the FAA or, even more illogically, the United States Coast Guard. This lack of central control has been at the basis, the beginning, of our problem of an almost ineffective transportation department. Obviously Congress must address the problem of an all-mode transportation department with power to allocate resources between the modes.

My second suggestion concerns the regulation of transportation. Most of the participants at this Symposium are familiar with the fact that all regulated modes seem to be in separate houses. The obvious answer is to create a single regulatory body—perish the thought that it may consist of the CAB, the Maritime Commission, and the ICC all lumped together. I propose the establishment of a single body consisting of three Commissioners. Hopefully this body will be composed of realistic men who will be able to act and not just react.

I realize that these two steps to strengthen the Department of Transportation and to unify regulation do not solve the constitutional problem of Congress' power over domestic and foreign commerce, but at least it focuses the total transportation problem in two places instead of a dozen. I certainly do not want a Ministry
of Transport to regulate and administer transportation as are present in France and Japan.

We do need to make our system work better than it does under the present fragmented system, this cannot be accomplished under the approach that the Administration proposes, which is to divide control among four super agencies with no transportation department at all. I do not believe that revenue sharing for transportation purposes at the local level will work, and I do not believe deregulation will work. New federalism may be all right in some areas, but certainly not in transportation where states and localities simply must fit into a national transportation system. But, if resource allocation, such as it is, is out of balance, this could be largely due to the absence of some basic data.

In recent weeks and months inadequate and erroneous data with respect to the supply and type of fuel available has had chaotic impact on the performance of our transportation system. In the apparent absence of any comprehensive economic model by which the effects of alternative fuel allocation schemes can be evaluated economic chaos has been brought nearer, in my opinion, not only to our transportation industry but to the entire spectre of our economy.

Let me give you one example of the type of apples and oranges data on which a number of important policy decisions appear to have been made with respect to transportation and energy. The following Department of Transportation data reports set forth the comparative energy effectiveness of alternative transportation modes. According to the Department of Transportation the auto gets about thirty passenger miles per gallon, railroads get about one hundred passenger miles per gallon, and the bus gets an average of one hundred and ten passenger miles per gallon. On the bottom of the heap is the airplane, getting sixteen passenger miles per gallon.

The only thing unsatisfactory about this data is that it is almost entirely wrong. The 1970 data was derived from total passenger miles divided by total fuel. The railroad data is primarily for commuter trains. Moreover, proper intercity comparison obviously must include the intercity configuration for all modes. In other words what vehicles are we dealing with? Are these trains coach, coach-first class configurations, or pullman? Load factors are im-
Important; how many seats are occupied? Particularly important to us air-minded types is the adjustment for actual trip distances. As most of you probably know, surface distance—highway that is—is about 1.2 times that of great-circle distances if flown by air. Rail is 1.3 times the distance of the equivalent great-circle distance. Obviously you have to consider things like operational patterns—there is frequency and level of service—and the system infrastructure, and then decide what are the components (right of way, terminals, airports) and what do they cost?

If you take all this into consideration, and apply it to a long distance journey, say 1100 miles from New York to Miami, you get very different data. If you take that kind of a long distance trip with a sixty per cent load factor, that is about two-thirds of the seats filled, you suddenly discover that on the basis of great-circle miles per gallon the automobile is not as good as thirty. For that trip, in fact, it is twenty-six great-circle miles per gallon. The train, if it is all pullman which it probably would not be, only gets twenty-three miles per gallon. If it is in the normal configuration Amtrak uses for that kind of journey there would be a mixture in the make-up of the train, and it would get somewhere between thirty-five and forty-three passenger miles per gallon; if it were full, which it would not be, it would get only fifty-eight. The bus comes out even better, it gets 128 miles per gallon. But then we come to the airplane. A 727-200, a familiar airplane operating in and out of this airport [Dallas-Fort Worth Regional Airport], would get twenty-eight miles per gallon, and a 747-100 again with its two-thirds of seats filled would get about thirty-six. So, after comparing apples with apples you suddenly discover that the airplane fits in the middle of the pattern and compares more than favorably with everything but the long-distance bus.

This really suggests that for the high density short-haul, like the New England-Northeast corridor, rail and bus systems should be upgraded and match the air service, but you have to look at the cost of the infrastructure. In other words, what are the system costs of the right of way expansion if you had to straighten out the tracks between Boston and Washington? What are the costs of inter-modal transfer? That is, after you get down in the middle of Dallas how do you get where you are really going? What are the costs of industrial plant and office relocation? In other words,
Dallas now does not live in the center of Dallas. What would you have to do to depend on rail service or bus service, and of course what would be the cost of the rest of the facilities, equipment, and maintenance? So even for a short-haul there are a lot of apples and oranges being tossed around.

Clearly long-haul passenger transportation will remain the domain of air transportation, both because of energy conservation and productivity of the airplane. Please note that neither the Department of Transportation figures nor mine have said anything about time spent on the particular journey. I made these arguments a week ago this past Tuesday to Chairman McFall at the congressional hearings. Chairman McFall lives in Sacramento, California, and, like most good congressmen, he visits his diocese about twice a month. I asked him, “How well, Mr. Chairman, could you serve your constituency were you to travel between Sacramento and Washington exclusively by the most energy efficient mode apparently available—the long distance bus?”

To sum up, we are dealing with an important facet of what is a total transportation problem, the increasing liability, the increasing megabucks involved in the air transport industry. It is clear that we do need a national transportation policy that must be provided by the Congress. We need real data. We need tough decisions. We need dentures for the Department of Transportation’s toothless tiger. Finally, we need regulatory powers focused and unified to match the administrative powers. We need this magnificent new airport that you, the people of Dallas-Fort Worth, have built.
Notes and Comments