panel report

FUTURE INNOVATIONS AND CHANGING SOCIOECONOMIC STRUCTURE OF THE CITY

Benjamin Chinitz, panel chairman

Like all social scientists, we wrestled hard with the simple question of what is the problem and how do you know when you have one. In all candor, I must report that there were many moments during our discussion when it looked like we might not be able to define the problem and would have to admit that we were here under false pretenses. Because we were quite reluctant to come to such a conclusion, we worked very hard to persuade our doubtful members that urban goods movement did pose some important public policy issues. Three categories of issues resulted from our discussion.

The first general heading is externalities. This is, of course, the easy one. In the urban context, every activity has to be scrutinized from the perspective of its impact on related activities, positive or negative. Vehicular movement is generally regarded to be guilty until proved innocent. Noise, air pollution, accidents, and congestion are all negative by-products of urban goods movement, which are not neatly reflected in the costs of urban goods movement as confronted by the carrier, the shipper, or the consignee. That then is the first target for public policy.

The second area (and we did not have the benefit of a carrier representative on our panel) is that we suspected that urban goods movement was very likely not being managed efficiently. Given the state of the art, productivity could be higher; and given the nation's capacity for progress, the state of the art could be farther advanced. We were not quite able to pin down the source of this suspicion, even though some members of the panel felt that it was obvious and advisable while others insisted that research might indeed reveal that our suspicions were unfounded.

We had no trouble at all getting closer to our mandate in the third area. It is the notion that public policy addressed to externalities and internal inefficiencies would have to reckon with the impact of urban development on the nature of the goods movement job. We were not, however, prepared to relegate urban goods movement to a purely passive role in urban development. We also felt that the emerging public policy to direct urban growth and development along particular lines would have to reckon with the urban goods movement system as more than a trivial parameter shaping the evolution of urban areas and would have to be treated as a policy variable. It was our uninformed guess that very likely the urban goods movement was not being viewed in this light by the drafters of the emerging national urban growth policy. At the end of this report is a specific recommendation on that subject.

Panel members felt quite strongly that, although we were prepared to stake out these potential policy areas, we did not have, and by implication no one else had at this time, the data and the analytical techniques to support policy formation and implementation. As one of our members put it, we do not have and we urgently need a goods-movement planning process. Some of our panelists were so paralyzed by this preoccupation with ignorance that they could not address themselves to any other issues. Most of us were able to abstract from our ignorance and move on to consider many questions of which these were the first: Assuming no new major policy thrusts in the urban field, how will the urban area develop in the future and what implications will the pattern of development have for urban goods movement? What potential policy issues are suggested by these implications? This is the sort of speculation that is ideally suited to panel discussion.

We had very strong agreement on a common base and then some frills were contributed by various members. We expect the metropolitan area to continue to spread out with the most relative rapid growth occurring at greater and greater distances from the center. At the same time, the central city, and especially the CBD, will continue to peel off those activities that suffer most from congestion and obsolete freight-handling facilities while it retains a relatively strong position in those sectors in which office employment predominates. The loci of intercity freight movements will continue to shift outward, thus further accentuating the preference for suburban location for the assembly and distribution of freight and further diminishing the relative access of the central city population and industry to freight terminals.

We see 2 points here that may be of some importance with reference to urban goods movement policy. First, the planning of intrametropolitan highway networks may have to be increasingly sensitive to the interface between interurban and intraurban movement occurring at the periphery. Second, from an equity point of view, and from the related perspective of the central city, greater attention may be required to preserve the center's access to intercity movements. This is the broad base on which we all agreed.

Here are some further imaginative speculations that were advanced by members of the panel. One of our members urged us to be sensitive to the emerging pattern of interurban specialization, that is the notion of the highway system creating new patterns of specialization and trade, not just within a given metropolitan area but between neighboring metropolitan areas. For example, I have been trying to get a graduate student to work on a thesis on what is happening to the pattern of trade between Boston and Providence and, in turn, what the specialization of each of these central business districts is as a result of their being brought closer together in time by Interstate 95. I know how to deal with the change on a purely introspective basis. For example, I substitute downtown Boston for downtown Providence with greater frequency than I used to because it is such a simple matter to get to downtown Boston. I do not know how this shakes out considering all activities of downtown. I cannot argue very strongly that this is a feasible kind of exercise; moreover, the data base is weak. But in the context of our panel, this was a general proposition that was advanced for consideration.

The second suggestion related to the whole question of the new town that is emerging as a form of suburban development. We discussed the new town in that context rather than the new town in the wilderness, which was, as somebody said, effectively killed off by Alonzo in his paper, What Are New Towns For? But the new town as a way of organizing suburban development certainly has to be given serious consideration, and to our knowledge nobody is giving serious consideration to the urban goods movement implications of that development either from the point of view of the people planning the new town itself or from the point of view of the carriers and the industry that is providing the service.

A third speculation along these lines was the notion that we may be bending back in our development toward the old life-style pattern but on an entirely different basis. One can develop an image of a person living and working in a very sparse kind of setting and having all his interactions fed to him, so to speak, through communication. He talks to his colleagues on closed-circuit television. He may have to have paper and pencils delivered. Some of us felt that this may be a premature extrapolation of the kind of life we see on the horizons for ourselves.

Finally, the point was made that we ought to be thinking of the possibilities of slower growth in the future for metropolitan areas. The 1970 census has already yielded the first major metropolitan area with an absolute decline in population, and that is Pittsburgh, which was first in steel and now first in decline. These two facts are not unrelated. The suggestion was made that maybe the 1980 census will show some more. Combined with the competitive argument about where people would choose to live, there is just the simple demographic phenomenon of the declining birth rate. It used to be quite customary to talk about a 300 million population by the year 2000, and that, in turn, called for another 100 million people living in urban areas. This has now been scaled down to 270 or 260 million. The demographers tell us that, even if we instituted a zero population growth policy tomorrow, the dynamics of population growth are such that the population would reach 230 or 240 million before it would go lower.

Moving to these speculations about city form, we shifted to a direct assault on the first word in our mandate, which is technology, and its implications for urban goods movement. In terms of perspective technological developments, we found it most fruitful to speculate in particular about developments in communication. We saw 3 main potentials here. First, developments in communication and all of its aspects could be a major vehicle for improving the efficiency of urban goods movement. Second, improved communication offers potential for substituting communication for actual freight movements. These are not overwhelming, but they are not insignificant. Things such as ordinary advertising mail and newspapers, which are important freight items within the city, are vulnerable to substitution by improved communication. Harold Barnett, in a paper on the economics of the wired city, states that it is well within the state of the art now for every single household and every single enterprise to be connected by cable in such a way that they would have a virtually infinite capacity to receive communications of all kinds: television, telephone, and telegraph. He has worked out the cost estimates and considered all the questions of regulatory policies, resistance by various groups, and so forth.

Finally, we considered the indirect impact on the movement of freight that would occur if communications would substitute for movement of people. Obviously the primary effect would be on the passenger transportation network and problems, but indirectly there would also be some implications for movement of freight.

Let me summarize by suggesting some relatively specific research areas. Dialogue is now going on at the very highest levels with respect to what we want the country to look like geographically, what we want our urban areas to look like, and what we are going to do to achieve those goals. We urge the National Academy of Sciences, the U. S. Department of Transportation, and the Canadian Ministry of Transport to try to inject the dimension of urban goods movement into the thinking that is going on about urban growth policy. We are quite confident that it is not there now.

We call attention to the lack of information, the lack of data, and the lack of analytical techniques. There is a lot of work going on in all sorts of places about the urban future of this country, what is likely to happen, and how public policy can help things happen differently. It would be foolish to suggest that this particular effort should be saddled with larger responsibility of doing research in urban economics, which, obviously, is the responsibility shared by a lot of other people. The chances that these studies will worry about freight movement are not very great. They will not spell out what a given pattern of development means for movement of freight. They are more likely to spell out what it means for the movement of people. They are not likely to pay any serious attention to the reverse interaction, namely, how changes in the freight system might affect the likely development of cities. It is true that in the past they have affected development because in the past we were dealing with very large, discrete, dramatic kinds of things. Urban economists were sensitive to the fact that substitution of truck for rail had some important implications for urban development, but in the future when they deal with marginal changes, they are not likely to be trapped in their net. Therefore, we are not specifying 1, 2, 3, 4, or 5 research projects but recommend that efforts be made to get this dimension addressed in the ongoing research on urban development either by supplementing the work being done or by having projects that relate to these ongoing projects.

Finally, and this is my own suggestion and not that of the panel, I would reopen an old question that has been around for years in terms of the strategy for research, and that is the institute approach. I do not know the whole story, but I gather that back in the middle 1960's there was a serious dialogue going on in some parts of the government about a transportation institute. It never came to realization. An urban institute has come into being, but I do not think it bears the same relationship to the urban problems as an urban transportation institute would bear to the transportation problem and certainly not as urban goods movement would have to the urban area. There may be some benefits to this way of organizing research efforts. It does not mean everything gets done in that institute but that the institute can be an important intermediary between the government and the vast number of researchers at the universities and other places.