York area, of leading corporations that leave the city to go to the suburbs. What happens to minorities who are left behind and who cannot afford the price of new housing in the exclusionarily zoned communities to which these corporations relocate? On the basis of title 7, Suburban Action's position is that a company is engaged in employment discrimination when it moves to a suburban community, unless it takes steps to see that adequate housing is available in that community. We think there is also a violation of federal contract compliance procedures when a company moves from a place that has a 20 or 30 percent minority population to an area having a 2 or 5 percent minority population. I think the Federal Office of Contract Compliance will say in the future that companies have to maintain their city percentage of minority employment when they move to the suburbs. They cannot reduce it because they have moved to a place that has a relatively small minority population.

Moreover, transportation issues are involved in corporate relocation. Government dollars are being requested to improve highways so that companies can leave the city and move to the suburbs. Such a move is energy inefficient, environmentally wrong, and disastrous in terms of racial policy because these moves are segregated. They are enlarging patterns of discrimination in our metropolitan areas. Federal funds for highway improvement should not be used to make this possible—on energy grounds, on environmental grounds, or on racial grounds.

Finally, there are some interesting theoretical perspectives that I would like to briefly mention. For example, people find a location for their home. Having found a residence, they look for a place in which they can compete for the goods of the world. Location is crucial. Making it possible for people to locate in a place of their choice is to offer them mobility. Mobility may be the underlying concept that ties together much of what we are talking about in equitable urban growth policy. Whether the term used is mobility or the constitutionally protected right of travel, it is still the right to have spatial mobility, to move from place to place in order to find opportunity.

The equity issue then becomes one based on the constraints imposed upon economic and racial minorities and how they operate to deny economic and social mobility. The denial of spatial mobility results in the maintenance of the permanent underclass of economic and racial minorities.

People involved in transportation must consider the fundamental importance of the right to travel. The U.S. Supreme Court has recognized that the rights to travel and to find a place of settlement are on a par with privacy and the right to vote. We were always free to have mobility. We celebrate the right of the black person to come from the South to see greater opportunity in the North. We celebrate the right to travel of those who migrate to the sun belt seeking better opportunity, or of those who come from the Caribbean to New York and elsewhere to find a better place. This right is as crucial as the right to speak. However, the right to move or to have mobility is constrained, denied, and rejected because people lack wealth and opportunity or because their color prompts discriminatory practices.

It is really very important for those of you in the transportation field to consider these vital social concepts as they relate to transportation, mobility, and the right to travel. They are well within your domain but have not yet been adequately developed as a social philosophy, either in transportation or in national urban policy.

National Land Policies and Programs Affecting Transportation: Session 1

Mortimer L. Downey, U.S. Department of Transportation

The relationship between transportation and urban development is central. The revival of cities as places to live as well as to work does not mean that the abandonment of the suburbs is imminent or even desirable. Instead, it means pursuing an equalization of city and suburb as residential, social, and economic centers. The present Administration seeks to revitalize central cities, to equalize cities and suburbs as residential environments and as economic centers, and to conserve energy. To take advantage of benefits that transit can provide in these areas, preference will be given to cities that accent public transit as an expression of coordinated transportation and land development planning and action. Transportation priorities will change from highway construction to maintenance and to making the best use possible of existing facilities. The process of developing policy is as important in staying abreast of trends as the policy and its resulting programs. Reform of current programs is necessary in making more effective tools to reach policy objectives.

The topic of this conference is of great importance to the present administration. We are in the midst of developing a strategy to coordinate the activities of the many agencies concerned with the health of urban areas. The sensitive relationship between transportation and the shape of urban development is a central concern in that strategy. Our contribution will be generally in the areas of physical and economic development.

The U.S. Department of Transportation (DOT) is concerned about all aspects of transport—domestic and international, economic and social, rural and urban—and many of the most difficult challenges relate to the needs of cities and those urban complexes that require planning and coordination on a regional basis. DOT believes that the revival of our cities as places to live as well as to work is necessary. This does not mean that the abandonment of the suburbs is imminent or even desirable, but it does suggest that DOT is not only responding to market forces but also is actively pursuing an equalization of cities and suburbs as residential, social, and economic centers.

The energy situation is a most significant factor favoring the return to the cities. Since local motor vehicle travel—e.g., shopping trips, driving the children around, and commuting to and from work—now requires approximately 22 percent of the petroleum products used in this country, costs of suburban living will necessarily rise. While rising costs are not usually encouraged, in this
case it may have long-run positive impacts. For too long our urban development patterns have been based on energy availability at far below the long-run costs of replacement supplies.

For energy conservation reasons alone, we must reduce the number or length of trips made in urban areas, we must vastly improve the efficiency of urban and suburban transportation, and we must moderate the total need for transportation. There is, for example, considerable unused capacity because of the choices our road, rail, and bus systems afford.

But efficient systems of transportation are necessary to our cities and regional urban areas for other reasons. Good public transportation—whether by rail, bus, or other modes—produces a number of social benefits, including greater safety, reduced congestion, improved air quality, and a better use of scarce land in the central city. Well-planned urban transportation systems have tremendous potentials for improved land use, and better land use policies represent highly effective means of reducing energy waste. Planners have long known about the costs of sprawl. High energy costs are bringing this fact home dramatically for the typical American consumer.

That is why, in our response to regional and city transportation applications, the Urban Mass Transportation Administration (UMTA) will give preference to those metropolitan communities that view public transit as part of a broader strategy to protect the environment, to preserve and revitalize the central city, and to promote orderly metropolitan growth patterns. The administration is seeking ways to ensure that these factors are given greater consideration in our diverse grant programs.

We must assist in the development of transportation systems that contribute to a community's economy, vitality, and quality of life as well as just provide mobility. At the same time, we must be prudent in our investments. We will need the help of conferences such as this one in our efforts to quantify those factors that can justify our transportation investments in terms broader than just the number of people moved.

PRIORITIES

A change in our transportation priorities has been under way for some time. We are losing our preoccupation with new highway construction and moving toward a better balance in surface transportation facilities and services and a greater respect for maintaining existing highway and transit facilities. DOT hopes to accelerate that trend.

Secretary of Transportation Brock Adams believes that the process of developing our transportation policy is as important as its substance. We must find ways to reflect the real needs of our transportation constituency and to make our programs compatible and our policies consistent. This can be accomplished best by bringing legislative proposals before the Congress that reflect a systematic assessment and definition of transportation options. Therefore, our recommendations for a transportation policy will not be a laundry list of rhetorical promises. These recommendations will consist of a series of specific legislative proposals, organizational changes, and administrative actions that reflect present-day realities and future considerations and that have a healthy regard for budgetary constraints. The structure of this policy should be emerging to you in actions we have taken in the first several months of this administration. It will continue to develop over time.

Several overriding considerations must influence the development of national transportation policy. The first is energy and its use. We are now importing slightly more than half of the petroleum needed to meet nationwide demand, at a cost of nearly $4 billion/month. Transportation consumes 26 percent of all the energy used and 55 percent of the petroleum. As President Carter said in his energy message last April, perhaps half of the fuel used for transportation is wasted. Tremendous potential, but little incentive, for energy conservation within the transportation sector exists. We must change that through persuasion and legislation, where possible, and through economics by pricing energy at its real cost. We must conserve fuel by improving energy efficiency, especially in highway vehicles; administration actions are designed to produce safer, more fuel-efficient, less polluting automobiles. Our programs must be used to help shift away from energy-inefficient land development and to reduce our dependency on petroleum-based transportation systems. There are some very clear side benefits to be gained from this policy, too. For example, our efforts to save energy by enforcing the 88-km/h (55-mph) speed limit proved to be the most effective step yet taken for highway safety. This effort must and will be intensified.

Reducing our energy dependence is not just an urban issue. It applies as well to long-distance transportation. By providing for future growth in intercity passenger travel through such projects as the Northeast Corridor rail reconstruction program and the maintenance of a basic national rail passenger service, the need for further new highway construction in the busy Boston-to-Washington corridor is lessened, airport and airway congestion is reduced, and the rights-of-way needed to serve future transportation demand in the coming era of energy scarcity are retained.

Another overriding consideration that must guide us is the President's commitment to a balanced budget by fiscal 1981. We cannot count on steadily rising transportation revenues or the continuing generosity of the general fund to sustain our programs. Although increased revenues may be realized through new or larger fees in some modes, in others—highways in particular—revenues may decline as fuel consumption is controlled. Realistically, we must plan the allocation of limited fiscal resources to get the greatest value possible from every transportation dollar, we must encourage the optimum use of existing systems and facilities, and we must consider new revenue sources if new work is to be done.

TRANSPORTATION AND NATIONAL OBJECTIVES

Transportation programs may be used as effective tools in meeting other recognized national objectives. First, it is clearly a federal responsibility to promote and, to some degree, protect interstate commerce. The federal role should be restricted to essential functions: safety, protection of the public from the abuse of monopoly powers, assurance of vital transportation services, and promotion of fair competition. We mean to reduce federal regulatory activities to the minimum necessary to meet these objectives. A significant legislative thrust toward reform of our obsolete system of airline regulation has already begun. We need a regulatory system that protects the consumer and not the regulated industry.

At the same time, there are areas where greater attention must be paid to regulatory responsibilities, notably in the field of safety. We cannot be casual about the need to protect human life and the environment. This administration is taking positive steps in areas ranging from automobile air bags to Transbuses to oil spills in order to carry out our environment- and safety-related mandate. We cannot rely solely on the free market...
to produce acceptable results.

Second, there is a national commitment to economic recovery. Opportunities abound to increase employment through investment in transportation systems and services. While we hope that interstate highway construction will soon be completed, much work needs to be done on bridges and secondary roads. The rebuilding of the nation's railroads also affords excellent employment opportunities; in the reconstruction of the Northeast Corridor alone we are creating an estimated 9000 jobs annually over the next 4 years, and 15 percent of the contract work will be channeled to minority firms, thereby ensuring significant minority employment.

Third, federal policies and practices can be used to preserve intermodal choice where economic and energy considerations make sense. We should not deny freedom of choice, but we need not offer incentives for inefficiency. Used effectively and in a coordinated way, public transportation, van pooling, and car pooling are the options that we hope will be encouraged locally in order to give people a real choice. Similarly, passenger rail and intercity bus services provide alternatives to air and automobile travel; the growth of this sector signifies a widening of choice in the cargo market. We need to provide this range of choice wherever possible through the private market, but the government must be ready to subsidize services where necessary to achieve other policies and to avoid undue disruption of local economies.

On the other hand, it is our policy to eliminate or reduce subsidies where they are no longer necessary or perhaps counterproductive. Thus, the administration has supported efforts to establish user charges on our waterway system.

Fourth, since the federal government is a partner with state and local governments, shared priorities and mutual responsibilities exist. This is an area where greater opportunities for cooperative plans and efforts are possible, and transportation policy is expected to move DOT closer to state and local needs. Past federal practices, notably in the grant administration area, have demanded too much paperwork, promised too much money, and provided too little performance in supplying services that people need and deserve.

We are working on legislation on highway and public transportation programs that the administration will be sending to Congress in the next session. We are developing this legislative initiative through public analysis of a series of options. These options—our work papers—have been distributed to the appropriate congressional committees and have been discussed with concerned public interest and government groups.

The transportation grant programs that must be reauthorized are very significant to the urban development process. In fiscal 1978, we will deliver $12 billion: $7.5 billion through the Federal Highway Administration, $3 billion through UMTA, and $1.5 billion through the Federal Aviation Administration, Federal Railroad Administration, and the National Highway Traffic Safety Administration.

As we ask ourselves how this money is being used, we have to consider where we have been as well as where we want to go. We are actually running today on the remaining momentum of a transportation policy that has been centered for two decades on the construction of a national superhighway system. Today, more money remains to be spent on completing the Interstate system than its original estimated cost. Facing this fact, as well as the prospect that we might just run out of affordable motor fuel before the Interstate network is completed, redesign of the grant programs must be considered.

To accomplish this transition in as orderly a manner as possible, Secretary Adams is going through an intensive review process. As part of this review, groups of departmental officers, including myself, traveled throughout the country to meet with state and municipal officials to learn firsthand what the problems are and to solicit suggestions for program improvements.

It is clear from our discussions thus far that there is no magic in the federal establishment likely to produce the perfect process that will satisfy all recipients. It is, in fact, unlikely that program levels and allocation formulas can ever be set in ways to precisely match all state or local priorities. Through our studies, investigations, and conversations, a nearly universal desire was expressed for greater financial flexibility in planning and funding transportation programs.

This flexibility can be achieved in several ways. The first would be through a severe reduction in the number of specific program categories. We do not know for certain how many live categories or special programs there are, but our best count identifies at least 40 in highway and transit programs. This is far too many for any kind of rational planning. In addition, there should be greater freedom to transfer funds between programs and to allow states and localities to establish their own priorities and make trade-offs as needed; it is also very important that federal requirements on each project be made less rigid and less of a delaying factor. There are, for example, nine categorical grant programs for urbanized areas. Each program has its own recipient, delivery system, eligible uses, matching requirements, and administrative procedures. Further, with the present variety in matching ratios (90 to 10, 80 to 20, 75 to 25, 70 to 30), there is a tendency for applications to gravitate toward the program authorizing the highest federal share, just as narrow categorical programs tend to perpetuate special purpose projects. A reduction in categories together with the establishment of a uniform federal share would surely help to minimize distortions in local decision making and broaden the expenditure choices available.

OTHER ACTIONS

A number of other actions to improve the effectiveness of the transportation grant program are possible. There could be

1. Identical geographic coverage for all programs to correspond with population units;
2. Coordination of DOT's planning requirements, enabling state and local officials to undertake comprehensive intermodal planning and to concentrate on systems rather than projects;
3. Inclusion in the planning process of a review of various transportation options, to help ensure a cost-effective capital investment program;
4. Development of a better mechanism for joint development and planning;
5. Establishment of a single review and approval process for national requirements that would cover civil rights, environmental standards, safety, and labor protection rather than a separate review for each; and
6. Provision of grant assistance based on formulas that clearly reflect state and local needs and on the willingness of the local community to share in meeting those needs.

In seeking to restructure DOT's grant programs, we face some difficult issues and some long-standing traditions. We must proceed carefully and deliberately but nevertheless firmly. We hope that the end result of our efforts will be a consolidation of transportation programs
that will give planners and managers the flexibility and the resources they need to improve the movement of people and goods.

In summary, we are at a transition point in transportation policy and, while all transitions are at times painful, they are eventually necessary. Our priorities are changing. Our policies must change accordingly if we are to shape, rather than be shaped by, our destiny.

We sense very keenly our responsibility to communicate to the American people the need to effect some fairly substantial changes in our transportation habits and systems and to recommend the actions these changes require. Transportation change is at the cutting edge of a change in American life-styles. We want to bring about this necessary change in a way that the American people will accept and that will lead us gracefully into an era of permanent energy scarcity.

National Land Policies and Programs Affecting Transportation: Session 2

Bruce D. McDowell, Advisory Commission on Intergovernmental Relations, Washington, D.C.

This paper examines two assertions and two questions. The assertions are that (a) land use and transportation are inseparably linked and (b) the federal government affects land use in several ways. The questions are (a) Should the federal government’s effects on land use be more coherent? and (b) Can the federal government’s effects on land use be more coherent? The assertions are (a) Should the federal government’s effects on land use be more coherent? and (b) Can the federal government’s effects on land use be more coherent?

FEDERAL GOVERNMENT AND LAND USE

The General Accounting Office (GAO) recently reported on the federal government’s involvement in land use planning, management, and control (1). While that report does not go into the subject in depth, it does cite major federal laws in this area and name the congressional committees and other organizations concerned with it. The report lists the land use issues meriting priority attention by the federal government. In the rest of this section, I will draw heavily on the GAO report and supplement it where possible with other recent reports.

Federal effects on land use may be classified into four broad categories: the ownership and management of land by the federal government; the location of federal employment and contractors; the wide-ranging system of federal aid programs and their planning requirements; and unplanned federal activities, including financial credit programs, taxes, and regulation. The land use effects of these activities are very substantial but not necessarily well understood. There is no attempt, at present, to orchestrate these policies toward any common objectives. It has been charged that, in fact, some of these policies cancel out others in terms of the type of development they encourage. Certainly, this brief paper cannot resolve such charges, but it will at least identify the policies and programs that do exist.

Federal Ownership and Management of Land

The federal government owns and manages about one-third of the nation’s land. Much of this land, of course, is in the West and Alaska and is not heavily populated. However, as GAO points out, these lands have considerable importance (2).

Today the federal government owns about 700 million acres of land. This land provides many resources essential to the economy and health of the nation, including energy fuels and other minerals, timber, range land, water, fish and wildlife, recreation and areas of scenic beauty.

About 60 percent of the federal land is administered by the Bureau of Land Management, Department of the Interior, and about 25 percent by the Forest Service, Department of Agriculture. A summary of the acreage under the jurisdiction of the major federal land management agencies as of June 30, 1974, is as follows:

LINK BETWEEN LAND USE AND TRANSPORTATION

The first assertion has been the theme of monograph after monograph for at least three decades and is deeply embedded in federal-aid transportation planning requirements. The only observation I would like to make concerns the question of which comes first, the transportation or the land. The scenario has included a little development and a little transportation, and a little more development, and so on in a series of successive approximations that, hopefully, will not be too maladjusted to each other.

Yet, despite this which-comes-first argument, it is helpful to conceptualize transportation as a means rather than as an end in itself. This view raises the question about what the ends should be. And that is what the next section is about.