

SUMMARY COMMENTS

RAPPORTEUR

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As you might have gathered, my job is to provide a bit of an overview, perhaps a public administration or an inter-governmental perspective on the issues that have been raised and addressed this morning.

That's going to be a challenge, because quite literally we've been all over the waterfront! But having said that, there are some major points that bear some repetition, and then I'd like to identify some trends that I think would be of some interest and concern.

We began talking about access to ports, and listening to some excellent case studies of experiences in California in dealing with some of the tough issues that are involved.

We ended talking about the new transportation system, the multi-modal system, which emerged during the '80s, characterized by perhaps reduced parochialism between the representatives of the ports, the railroads, and the trucking industry.

We also ended with a different definition of competitiveness. Competitiveness was not so much between the transportation modes, but competitiveness in a global environment, looking beyond the borders of individual cities, counties, states and regions -- and even this country.

The two words, globalization and competitiveness were mentioned several times this morning, quite appropriately.

Some important conflicts were identified by our speakers and respondents:

- Conflicts between economic growth and development issues on the one hand, and environmental concerns on the other.
- Conflicts between safety issues in terms of transport and cost factors.
- Conflicts between constrained resources, both public and private, and rising demands for more service and greater efficiency in the transport of product.
- Conflicts between the fragmentation of authority, particularly governmental authority, and the need for coordinated action and for authoritative decision making.

These are some of the conflicts that were identified. But back to the point about parochialism.

Our speakers indicated that there is very much a need for us to get our act together, to try and address some of the tough issues involved in a competitive, global society. Yet there's a classic public administration question that occurred to me as I heard this need expressed. The question is: "how can you get everybody in on the action and still have some action?" A subset of this issue from the standpoint of the ports, as in the '90s the new transportation policy and all the modal systems are developed: will the ports be senior partners, will they be silent partners, or will they be somewhere in between?

What about the '90s? There are three questions that were raised occasionally. They weren't answered in any great detail because they're extremely difficult. They're deceptively simple in fact. But yet they're questions that are going to have to be addressed in sessions like this and others that are occurring at this conference.

In terms of transportation policy, who should do what? Who should pay the bill? Who should be accountable?

That leads me to identify five trends that have emerged at the end of the '80s and are going to be very prominent as we enter the '90s.

1. There's no new money in Washington; no significant money to address many of the needs that have been identified today and earlier in this conference. In fact, some are saying that we are in a period of "fend-for-yourself" federalism.

Local governments, state governments, and the federal government are really looking out for their own interests, and not being willing or able to help out one another as was the case in the '70s and '80s. This environment, of course, is a crucial one. It affects how the Transportation Act of '92 is going to be addressed. And it raises the question: to what extent is our national commitment to infrastructure? And has there been, in fact, a disinvestment in infrastructure by local governments, states, and even the national government?

So the first trend, and it seems like it's going to be a long-term one, at least domestically, has been financial constraints. Financial constraints on the federal government's ability to help state and local governments, whether it's through providing grants-in-aid, or releasing trust funds. While that seems to be reality, at the same time it doesn't mean there's no role for national leadership.

2. There is debate over national policy leadership. Now how "leadership" is defined could probably take another panel session! One aspect of leadership gets to my second point. Leadership is defined by some as mandating, telling or ordering state or local governments, or the private sector, what to do with or without the money to compensate for the added costs.

One of the phenomena of the 1980's that has affected your industry and many others has been mandating by the U.S. Congress and by the state legislatures. My fearless forecast is that you're not going to see less of it. You're going to see more of it. Going back to the first point, you're going to see more mandates and less money. The mandates are coming from Congress as it tries to, in part, play a national leadership role. And they come from federal agencies as they try to play a national leadership role. And local and state officials certainly oppose, sometimes effectively and sometimes not so effectively, those mandates. Their cry, of course, is "no mandates without money". The response is "no money without mandates".

Some regulatory issues were raised by the presenters and by the respondents. During the '80s there has been a shift of emphasis, gradually, out of Washington and into state capitols.

Some of you have noted your frustrations in dealing with eight different state regulatory agencies. That tends to be the rule, not the exception, and that's a fact of life that you are going to have to come to grips with. State officials in many areas are eager to regulate. Some of you may say they are not very capable of regulating. In fact some of the dark clouds on the horizon are states cutting back and down-sizing as a result of the recession, and the regulators are being cut as well. The expertise that's needed to fully understand the complex issues like you're dealing with in transportation can't be brought in to state government. They can't pay enough to bring these people into public service. Or you can't, in the case of several states now, hire anybody, period. So you're going to have a shift of emphasis continuing, and some regulatory issues are going to be resolved at the state capitol, and the ability of the states to do so, in many cases, is going to be less than it was in the 1980's. From your standpoint, I would think that would be a big frustration. Certainly from the private sector's standpoint, it's a high cost, because you face the prospect of perhaps 50 different regulatory answers to some of these questions, rather than a single, stable, uniform national response. And that kind of debate and dilemma is going to characterize the early years of the '90s.

3. Some raised the issue of flexibility, and the need for it. It seems to me there is growing recognition that this makes sense. Whether it's in the form of the so-called block grant approach to providing federal aid as opposed to the old style of categorical aid, or whether it's in the form of incentives, which was mentioned as well.

Using the increasingly limited federal and state resources to leverage private sector investment will increase in the '90s. We saw it for a while in the late '70s and early '80s in terms of community development investment. Perhaps we're going to see this rather skillful use of financial incentives in the '90s.

4. We are going to have to be more creative. I don't know about tariffs on containers, but I think that this group could probably come up with some ways of generating increased revenues to meet the needs that are not going to diminish, but in fact are going to grow. Whether it's a "revenue enhancement" or "user charge," call it what you will, it's going to come from the taxpayer or consumer. It seems to me an inescapable conclusion. That's not necessarily bad.

5. All of the speakers, in one way or another, have indicated not only a need but a desire for cooperation in the '90s as these questions and conflicts are addressed by different industries, by different levels of government.

H.L. Menken once had a statement that went something like this, "For every complex public policy problem, there's a solution that's simple, neat, and usually wrong." I don't think our speakers today presented simple and neat solutions. If anything, the level of complexity was raised and appropriately so in a session like this. At the outset it was mentioned that we have a window of opportunity here as negotiations on The Surface Transportation Act are occurring, as states are struggling to balance their own budgets and at the same time flex their regulatory muscles. Representatives of the different modes are looking at one another perhaps not quite as suspiciously as they once did.

The window of opportunity is open. For how long, it's difficult to say. But the issues that you have raised and addressed this morning are important ones, and I wish you well in addressing them in the months and the years ahead.