

# THE PEOPLE

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## EXCERPTS FROM *A GREAT HONOR WITH THE PERMISSION OF SECRETARY ALAN S. BOYD* FROM CHAPTER XIII

### A Coherent Transportation System

In 1965, transportation represented about 20 percent of personal consumption expenditures. There were thirty-five agencies with transportation-related responsibilities, with a cumulative annual budget of more than \$5 billion. Many of us in government had talked for years about how to improve the situation.

In 1966, President Johnson revived the idea in his State of the Union address: “I recommend that you help me modernize and streamline the federal government by creating a new cabinet-level Department of Transportation, [which] is needed to bring together our transportation activities. The present structure...makes it almost impossible to serve either the growing demands of this great nation or the needs of the industry, or the right of the taxpayer to full efficiency and real frugality.”

Six months before the address, the president had set up a task force composed of representatives from the different transportation entities of the federal government. Charlie Zwick, the deputy director of the Bureau of the Budget, and I (as undersecretary for transportation in the Department of Commerce)

were co-chairmen. For some reason the name of our group was the Boyd Task Force. Our charge was to draft the organic law to present to Congress with the hope that it would be used as the basis to create the legislation for a new Department of Transportation. There were seven or eight members in all on the task force, each an expert on various aspects of the issue. Our White House liaison was Bill Moyers.

The task force started with the concept that, taken as a whole, transportation constituted one system. It is not a means to an end in itself, but rather, a service that moves goods and people to help businesses and individuals achieve their goals. Given that, our first focus was to determine what needed to be included—and excluded—in the proposed Department of Transportation.

We decided the department should include functions related to transportation policy, funding, safety, and research, but exclude economic regulation. We examined thirty-five agencies to determine whether they should be included wholly or in part, or to exclude them entirely. There were large agencies we thought should be included, such as the Coast Guard and the FAA, as well as smaller agencies such as the Great Lakes Pilotage Association and the St. Lawrence Seaway Administration. We also included the Maritime Administration, the Panama Canal, the Alaskan Railroad, and the Bureau of Public Roads—which didn’t have a large number of personnel, but did have an enormous budget.

Though we decided that the economic regulatory functions of the Civil Aeronautics Board and the Interstate Commerce Commission should remain independent, we determined that their transportation accident and safety investigation functions should be part of the department. However, we soon realized that to avoid any conflict of interest, safety investigation needed to be independent. We suggested the creation of a National Transportation Safety Board.

Many decisions about what to include in the department were fairly straightforward. One thorny issue, however, was what to do with urban mass transit. There were valid arguments for either placing it in the Department of Transportation or letting it remain in the Department of Housing and Urban Development. Our task force, along with the White House and the Bureau of the Budget, engaged in the debate. The ultimate, Solomon-like decision was to leave it with Housing and Urban Development temporarily, until it could move to a new Urban Mass Transit Administration (UMTA) to be created within the DOT. Though I thought this was the right decision at the time, I now think it was a mistake. Although UMTA was “transportation,” I believe HUD could have used mass transit funding to enhance and support their other development programs.

Fortunately, I don’t think we made many mistakes. In fact, I think the task force did a superb job of designing an efficient government department led by a secretary, an undersecretary, a deputy secretary with responsibilities like a chief operating officer, and a general counsel in charge of legal affairs. The organizational chart was structured by department-wide specialties, such as administration or policy.

We wanted to avoid organizing by transportation sectors like highways, railroad, and waterways, because we believed that could become a breeding ground for “stovepipes,” a term for territorial pettiness characterized by an inability to identify

with the whole organization and an unwillingness to share information. We proposed five divisions: Administration, Policy, Research and Development, International Aviation, and Public Information, each with its own assistant secretary. In addition, we suggested that the administrator of each agency in the department report directly to the secretary.

Once the task force finished the draft legislation and the White House added its stamp of approval, it was time to shop the proposed legislation around Congress.

I met with Senator John McClellan, the chairman of the Committee on Government Operations. He was fine with everything until he came to the earmarks proposal. An earmark is a provision within a bill that directs a specified amount of money to a particular project. Often this funding is for a project to benefit a congressional representative’s home district.

Even back in the 1960s, the validity of earmarks, sometimes called “pork,” was challenged. Our draft legislation was written to remove transportation projects from the general appropriations process and eliminate the use of earmarks. We wanted the department to perform a cost analysis on every project and report the findings to Congress, which would then vote on funding. This procedure would reduce the opportunities for pork.

After reviewing the earmarks proposal, Senator McClellan looked at me. In his wonderful Arkansas drawl he said, “Alan, that dog won’t hunt.” I knew right then the provision was dead. Legislation lives or dies by committee. If the chairman of the committee wants a provision out, it’s out.

Another senator on that committee, Henry “Scoop” Jackson, was very concerned about protecting the environment. I believe that Scoop was the force behind a requirement added to the legislation that no highways could be built through public

parks, wildlife or waterfowl refuges, or a historic site unless there was no feasible alternative. That determination was to be made solely by the secretary of the DOT. Senator Jackson deserves much credit and many thanks for his forthright contributions.

During our negotiations with Congress, we had to make a few other changes to the draft legislation as well. The shipowners and the seaman unions never forgot that I'd tried to end their subsidies. There was a possibility that I'd be named as the DOT's first secretary, since I was the senior federal official for transportation. The maritime industry used its influence at the committee level to remove the Maritime Administration from the department and therefore from any possibility of being under my control. Congress later put the Maritime Administration back in the DOT—but not until long after I was gone.

There were a few other relatively minor changes. After they were made, it was pretty smooth sailing. With bipartisan support, the legislation passed both houses of Congress. President Johnson signed it into law on October 15, 1966. At the signing, he said the following:

*We have come to this historic East Room of the White House today to establish and to bring into being a Department of Transportation, the second Cabinet office to be added to the President's Cabinet in recent months. This Department that we are establishing will have a mammoth task—to untangle, to coordinate, and to build the national transportation system for America that America is deserving of.*

*And because the job is great, I intend to appoint a strong man to fill it. The new Secretary will be my principal adviser and my strong right arm on all transportation matters. I hope he will be the best equipped man in this country to give leadership to the country, to the President, to the Cabinet, to the Congress.*

The obvious question was, who was best equipped to be the first secretary?



## FROM CHAPTER XIV

### An Honor to Serve

The president officially nominated me on November 6, 1966. Senator Warren Magnuson, chairman of the Senate Interstate and Foreign Commerce Committee, held my Senate confirmation hearing on January 11, 1967. I looked forward to the session. Maggie and I were good friends.

I was escorted into the hearing room by the two senators from Florida, my friends George Smathers and Spessard Holland. They were proud to stand with me. I was the first Floridian to serve in the cabinet. Well known in Congress by then, I was confirmed without opposition. At the White House on January 16, I was sworn in as the first secretary of the Department of Transportation.

The department was to begin operation on April 1, 1967, which gave us just a few months to organize a department with nearly 95,000 employees. It was a busy time, hiring staff, locating office space, and finding excellent people to fill the newly created executive positions.

There would be five new assistant secretaries, eight new administrators, an undersecretary, a deputy secretary, and a general counsel. All of these positions were “presidential appointments.”

I can honestly say that the department was staffed with the best people we could find without regard to political favors or party. We put together an excellent staff. My approach with these new appointees was simple: “I asked you to take this leadership position because you’re an expert in your field,” I told them. “If you need help, let me know. If you make progress, let me know. I don’t want to know everything, but I do want to understand what’s going on. Most importantly, I

expect everyone to work as a team and to deal with every problem as a common problem. I will not tolerate any stovepipes.”

I was particularly aware that in creating a new organization comprising preexisting, independent agencies, there is always a danger of groups keeping information to themselves. The new department required a mind-set of cooperation, not separation.

The group of leaders I selected worked together wonderfully as a unified team. They made the new Department of Transportation an outstanding organization. Each made unique contributions, but there were a few standouts in my mind.

Alan Dean was my chief administrative officer and the consummate bureaucrat, a term I use with great admiration in his case. He was a career public servant who knew everything there was to know about how our government functioned. He was honest, hard-nosed, and competent.

Cecil Mackey was my assistant secretary for policy. He’d been my right-hand man on the DOT task force. Cecil was bright, accomplished, and an idealist. He was also distinctive in that, unlike most people, he had no problem telling me when he thought I was wrong. There isn’t anyone from those years whom I thought of as a better friend.

Jo Philipovic was my wonderful, loyal secretary. I could not have survived without her. Jo had been my secretary at the CAB. I would have taken her with me to the Commerce Department, assuming she’d agreed, but that position had come with a secretary. Jo understood my foibles and I understood hers—though I can’t remember her having any.

Dick Copaken was my White House fellow. He basically showed up on my doorstep saying that he’d been assigned as my full-time aide for a year.

My response was, "You're just the man I need!" I immediately put him in charge of creating a grand opening celebration on April 1. I told him, "I want to have a big show, and I want you to set it up." That was nearly the only direction he got from me.

Also on my superb team were Paul Sitton, deputy secretary; Admiral Willard Smith, commandant of the Coast Guard; James Irwin, Coast Guard attaché; General Bozo McKee, Federal Aviation administrator; Don Agger, assistant secretary for international aviation; Joe McCann, St. Lawrence Seaway administrator; John Sweeney, assistant secretary for public information; Frank Lehan, assistant secretary for research; Langhorne Bond, my special assistant; and John Kennedy, my office executive secretary. These people worked together

to create one of the most productive and happy periods of my life.



As part of the department, we created two new agencies, the Federal Highway Administration and the Federal Railroad Administration. Lowell Bridwell was appointed as the first Federal Highway administrator. He knew highways, and he knew what needed to be done and took care to do it. He wasted no time. He did an excellent job organizing that agency

Scheffer Lang became the first Federal Railroad administrator. Shef was new to government, but he knew and loved trains, and was dedicated to his



*Staff retreat of leaders of the new department. from left to right: John Robson, John Sweeney, A. Sheffer Lang, Langhorne Bond, Alan Boyd, Everett Hutchinson, William McKee, Lowell Bridwell, Alan Dean, Cecil Mackey, Willard Smith, Paul Sitton, Joseph Mc Cann, Donald Agger*

work. He ingratiated himself to me when, during his maiden speech as administrator, he told the Association of American Railroads that one of the railroads' major problems was the inadequacy of railroad management. I thought he was right. Shef was a Republican, which I liked. I wanted the department to be completely nonpartisan. Transportation is ultimately not about politics—but service.

The months leading up to our April start were consumed in large part with filling the many positions and introducing myself to the various agencies. I always asked how I could be helpful, gave people my contact information, and invited them to call if they had any ideas.

I also spent a significant amount of time communicating with Congress, particularly the Interstate and Foreign Commerce Committee, and the Appropriations Committee in both houses. I knew exploring their ideas for the department would be productive.

The Washington headquarters for the department would need office space for about five hundred people. With the new DOT building still under construction, we had offices all over town. We used three floors of the Federal Aviation Building, which housed my office. We also had offices in a building at Sixth and D Streets, in the ICC Building, the Matomic Building, and the Universal Building, as well as a few other buildings on Indiana Avenue. I joked at my Senate confirmation hearing that we'd probably pitch tents on the Mall to take care of all other staff. As a team-building activity, we had a contest to design a logo for the department and invited all DOT employees to participate. Our volunteer judges were from the Metropolitan

Museum of Art, the National Museum, and the Heraldry section of the Department of Defense. The contest was a big hit. Submissions poured in. I was pleased with the winning design, a modified triskelion, which looks something like three bent human legs set in a triangular pattern. The legs represented transportation on land, sea, and air.

The department opened for business on April 1, 1967. I was impressed that all of the staff in their many locations came to work that day to find a directory on their desk with phone numbers for everyone in all DOT agencies. Alan Dean, my chief administrative officer, was responsible for that. Organizational efficiency and responsiveness were important to me. I set in place a process where every incoming letter or call to my office received a response within forty-eight hours.

The opening-day celebration that Dick Copaken organized was impressive. I was driven from the DOT office to the Mall in a horse-drawn carriage. There were public events in the Natural History Museum and the American History Museum. Several blocks of the Mall were covered with activities: a balloon ride, a hovercraft, and a man flying with a jetpack. Transportation, its history and its future, were on display. It was a wonderful day, and well attended by the public.



Excerpted by Alan E. Pisarski, who highly recommends the whole book.

A recent review states: *An enjoyable book from start to finish, filled with historical events and personal reflections.*

# CHARACTERS OF EARLY DOT

John W. Barnum

As General Counsel of DOT from July 1971, then Under Secretary/Deputy Secretary from July 1973 until January 1977, I had the privilege and pleasure of working with an extraordinary cast of capable characters.

John Volpe was Secretary of DOT in President Nixon's first administration (1969-1973). He had been Governor of Massachusetts. I remember him as a warm, unpretentious person. At a Christmas service in the chapel across the street from DOT, he came over to my wife and me to ask how our son was doing; he had been sick. At the end of Nixon's first administration, all presidential appointees were asked to resign and to indicate whether they wanted to be reappointed. I don't know what Secretary Volpe did; I only know he was appointed Ambassador to Italy, quite appropriate for an émigré. The only problem was that his Italian accent marked him as a hick from the Abbruzzi. But when my wife and I visited him in Rome, I asked whether his valet could clean a spot off my jacket. His wife, Jennie, said "Come with me," and we both went upstairs to their bedroom and Jennie took a cloth out of her bureau drawer and removed the spot.

Jim Beggs was Under Secretary of DOT in Nixon's first administration. He and Mary were a wonderful couple and I think he largely ran the department. In the second Nixon administration he got a promotion to be Administrator of NASA.

Charlie Baker was Assistant Secretary for Policy in Nixon's first administration. He was smart as hell, and funny. He had a super staff in TPI, but he did not stay on for the second term. He went to teach in Boston, at Northeast University. I never saw him again after he left DOT, but for years he joyfully

sent me his Yale-Harvard football ticket stubs to rub in Yale's loss.

Claude Brinegar was DOT Secretary in Nixon's second term. He was an oil company executive in Los Angeles who had a Ph.D. in statistics. He had been recommended by Peter Flanigan, a wealthy Nixon supporter with a White House role. Nixon proposed that some Secretaries in the cabinet should function as "Super Secretaries," with other Secretaries reporting to them, but that never materialized. What did happen, though, was that Bud Krogh, who had been the White House interface with DOT, was appointed Under Secretary. Nixon's gurus, Ehrlichman and Haldeman, wanted to have "their man" in each department.

As the events of "Watergate" began to emerge and a grand jury was empaneled, I suggested to Krogh that I might be able to help John Dean, then Counsel to President Nixon, because in my private practice I had appeared before the grand jury with which the Antitrust Division was trying to establish that General Motors had monopolized the automobile industry. Krogh told me not to contact Dean, however, because "he is not on our side."

But Krogh had been a leader of the "Plumbers," the gang that raided the Democratic National Committee offices, and as Krogh's role began to emerge, he had to resign. That was when I became Acting Under Secretary. The existence of the "tapes" was disclosed to the House Committee staff one Friday by Alexander Butterfield, who had been on the White House staff in Nixon's first administration. (By then, however, he was the FAA Administrator.) I was sworn in as Under Secretary by Brinegar the following Saturday and Butterfield revealed the tapes' existence publicly at a congressional hearing the following Monday. Krogh and the other Plumbers were prosecuted and Krogh was disbarred, but years later he was reinstated after several of us put in a good word for him.

It was during Brinegar's watch that the six railroads in the Northeast went bankrupt. Brinegar and I were meeting with the chairman of the ICC one day in the conference room between Brinegar's office and mine when word from the House Commerce Committee came in: "What are you doing about the bankrupt railroads?" Brinegar immediately sent me to the Committee, leaving him and the ICC chairman to say good bye to each other. I proposed to the Committee that Congress give DOT 45 days to submit a proposal and the Committee did just that. Brock Adams was Committee chairman, and those were the days when Republicans and Democrats could work together. As I recall, the ICC was miffed at not having a role. Before DOT submitted its proposal, the ICC submitted its own proposal. The Committee and then Congress, however, followed our proposal and established the United States Railway Administration (USRA), which was charged with preparing a plan to get the bankrupt railroads operating again - - what became "The Final System Plan."

DOT's first choice, however, was to have the two still solvent railroads in the region, the Chesapeake & Ohio (the "Chessie") and the Norfolk & Western, each to acquire half of the properties of the six bankrupt railroads. That would assure continued competition in the region. Chessie Chairman Hayes Watkins was game, but the N&W chairman agreed only on the condition that Uncle Sam guarantee that his new railroad would not lose money. That was obviously a non-starter.

The fallback was to design a new railroad using the properties of the six bankrupts. The result was Conrail. For the new railroad to be profitable, however, it was necessary to identify those parts of the existing railroads that were money losers. In the days before "deregulation," railroads could not stop service on a segment just because it lost money. Passenger service had already been identified as unprofitable, and all but three railroads had leapt at the opportunity to discontinue passenger service.

The others turned their passenger equipment over to the new National Railroad Passenger Service Corporation, "Amtrak."

To solve the railroads' basic economic problem throughout the country, DOT led the charge to adopt legislation that would "deregulate" all U.S. railroads. In 1975 Congress passed DOT's Railroad Revitalization Act, followed in 1976 by the Railroad Revitalization and Regulatory Reform Act. The story of those initiatives is best described by the American Enterprise Institute study published in 1977 by Paul W. McAvoy and John W. Snow.

When Nixon resigned, President Gerry Ford appointed Bill Coleman as Secretary. Bill was a prominent Philadelphia attorney. Fortunately, I knew Bill because he and I had been co-chairmen of the Research Subcommittee of the President's Committee for Civil Rights Under Law in the 1960s. Judge Bruce Bromley, my senior partner at Cravath in New York, was co-chairman of President Kennedy's Committee and Bromley had enlisted me. I say "fortunately" because, when Bill came to Washington, he asked his Harvard Law School pal, Elliot Richardson, for advice. Elliot had been "Secretary of Everything" — AG and three other departments. "Fire your Deputy to show who's in charge," Elliot told him. "I can't do that," Bill replied. "John did all the work on our Subcommittee, getting law professors and busy attorneys to write briefs for the attorneys with time to go to the courts in the South where the civil rights cases were being prosecuted.

Bill Coleman was a great boss. He was also a great person, as attested by the outpouring of praise on the occasion of his recent death. He would tell me frequently "You and I are equal in this job every day except pay-day." He left much of the work to me, and I authorized the use of the autopen to sign Bill's name to letters drafted in the dozens of offices in the Department. He only overruled me



once: A Connecticut congressman had written Bill to protest the orange stripe painted on the *Eagle*, the Coast Guard's square rigged training ship. The Coast Guard prepared a letter for Bill's signature explaining that the orange and blue stripe, in use on all Coast Guard airplanes and other ships, large and small, was good advertising and public relations for the service. As a sailor myself, I thought the "signage" on a 300-foot square rigger was not appropriate. So I sent the draft back to the Coast Guard with instructions to rewrite the letter. I should have put a stopwatch on it; within a matter of minutes, the Commandant and the Vice Commandant were in Bill's office protesting my decision. They won.

But I won the next argument with the Commandants. Congress had passed a law requiring the military academies to admit women in two years, but that only affected West Point, the Naval Academy and the Air Force Academy. Bill and I argued that the Coast Guard Academy had an opportunity to steal a march on the other academies by opening their Academy to women the next year. The two admirals were full of arguments about the implications, and dangers, of having women pulling duty on lighthouses and small boats. In fact, I knew the Coast Guard had a rule prohibiting women from staying on a Coast Guard ship overnight. I knew because after I had taken our oldest son on the *Eagle* with me for a brief cruise off Cape Cod, I asked the following summer whether I could take our daughter on a similar short cruise, there was a hemming and hawing. "Oh Daddy," Sarah said, "Don't push it."

After Volpe, Beggs, Baker, Brinegar and Coleman there were literally dozens of men and women who made my years at DOT so rewarding. Tom Tidd was my Deputy General Counsel; Ted Lutz was a wonderful Deputy Under Secretary; John Snow came to TGC, moved up to be NHTSA Administrator, was grabbed by Hays Watkins for the Chessie, became Secretary of the Treasury, then a hedge fund mogul, and he remains a great friend. Jeff Shane was there when I arrived as my TGC special assistant for environmental matters, resigned to travel to Africa, was welcomed back at DOT and is now the U.S. rep at IATA.

Behind the brass, however, there was a legion of super staff that made it all possible. As S-2, I inherited Dorothy Jefferson as my secretary. But I had brought Annette Gnospelius from New York to be my personal secretary. She travelled to Europe with my team on the Coast Guard's Gulfstream and ended up marrying my Coast Guard bodyguard, Bill Miller.

Lindy Knapp, on graduation from Stanford Law School, was selected for the Honors Program in TGC and became my Special Assistant when I was Dep Sec. She was a wise woman, and persuaded me to overrule the FAA Administrator who had fired one of his deputies who had crashed the New York Region's prized antique plane because he did not know to lock the tail wheel when taxiing for takeoff. Peggy Bridge, Lindy's secretary, rounded out the staff of S-2.

In my life I never worked so many hours each day as I did at DOT, and the people I worked with made it all an infinitely rewarding pleasure.

## SOME RAMBLING – THE EARLY DAYS OF DOT

Charles D. Baker

The US DOT came into being on 1 April 1967; obviously an auspicious date. Such a department was discussed off and on for the better part of a century, but since this would entail transferring various operations in the federal government, status quo forces prevailed—until President Johnson came on the scene. Johnson, a man of many talents, among them an in depth knowledge of how Washington worked, was equal to the task. Prime examples were the heretofore freestanding FAA would be an integral component of the new cabinet level department. Ditto the US Coast Guard, for more than a century under the aegis of the Treasury department. Likewise, the Urban Mass Transit Administration heretofore under USHUD.

The new department going through birth pains was blessed with a number of key people among them the designated secretary Alan Boyd. Alan had several virtues; bright and likeable, experienced in Washington ways as the undersecretary of commerce from which many of the operating units would come. A good relationship with the president who nominated him, Alan had the authority to take some key Commerce people with him. I got to know several when I came down in late 1968 (the election that year put Mr. Nixon in the white house) to help the new Secretary designate Gov. John Volpe. During the transition Boyd and his crew were of great help; for example; Ira Dye a wartime Submarine skipper who had moved into the federal government after retiring from the Navy. He was a great public servant who went from sinking Japanese ships to laying out plans for various transportation modes. John Robson—undersecretary (some years later chair of the CAB). Paul Sitton, an early DOT executive who later took

the reins of UMTA as it shifted to newly formed DOT. Paul was invaluable to me personally when the Volpe team took over and we had to figure out how to fund transit. Frank Turner, head of the Federal highway administration was on the job when “we” came on board. Ditto D/Asec for policy Dick Barber and soon to be paralleled by D/Asec and piano playing Bob Binder several years later to become ASec himself. I could list many others, but the above were typical of the exchange support.

And so Gov. Volpe’s job was to structure a newly staffed department. The new department was blessed with three absolutely key people; The governor himself who knew construction from a to z, but even more important how government—federal, state and local worked—or should. Where did his #2 come from? Jim Beggs, USNA/ Navy, Harvard Business school, Westinghouse Corporation, NASA and in 1969 undersecretary of DOT. The third key person—Paul Cherington – a Harvard professor of transportation whom John Volpe persuaded to come to DC and think about go forward policy. Sadly, health and related personal issues cut his tour back after a year and a half, but he insured that the newly staffed department knew what the overarching issues—and opportunities—were. In short he was a major force on getting the challenges and opportunities in line. Some things on the table? The airport and airways needs for the booming future legislation passed. Rail freight and what about intercity passenger rail? UMTA funding (We got a lot of help from Nixon’s key urban advisor Pat (later Senator) Moynihan). The rest of the interstate program. The Coast Guard and the St. Lawrence Sea Way. Safety paramount in all modes. And of course regulation ICC, CAB and the Maritime Administration still back at Commerce. Where was I in all this? I knew a lot about John Volpe the Governor but nothing of him on a personal note. Two meetings and I was hooked. Jim Beggs and I passed in the night, first in the Navy, never met. HBS—same class, never met—Westinghouse- he was in Baltimore, I in Elmira

New York. He was a great boss—once we met at DOT and a splendid person.

When Paul had to return to Cambridge I was tagged for the policy shop. Two things 1) when my confirmation was delayed, it was necessary for Sec. Volpe to persuade Rep. Senator Griffin of Michigan and Dem. Senator Mondale of Minnesota that DOT Sea Way plans were good for the Midwest. Aha! so that's what bipartisan is. 2) one of the early "maybes" on our table was the SST-Supersonic transport. Development was underway at Boeing with lots of federal dollars involved. Should the government continue its support? I'd met a lot of government professionals but never had a real insight. This issue and many others later persuaded me of several things. The civil service folks were very well educated. (took advantage of lots of "further education" options). Contrary to ill-informed critics they were invariably hard workers (At the shop on weekends? Not unusual). And well-tuned into policy and how to address big formulations. SST? Work done in the policy shop made clear that economically the route we were on was not going to be an economic winner and the side kick benefits to DOD were going to be not-so-much. The valiant French and English stuck it out for several decades but recently came to agreeing with our 1970 decision.

Alan Pisarski's recent challenge to me and others was "What was DOT like early on?" The foregoing reads somewhat like "reflections over a beer or two." Let me wind up with an olio of things and people.

The Penn Central merger unraveled early on. We didn't solve the problem overnight, but did get policy and plans aimed in the right directions so that today America's rail freight system is the envy of the world. John Barnum, by this time on board from New York was a key involvee. The North

East corridor re Rail passenger—Remember Bob Nelson? Amtrak got a modest high density route going but much beyond would call for serious bucks. Still does.—.

Who else? What else? A half dozen names from outside DOT were of substantial help George Schultz and Cappy Weinberger were both serious players in the Nixon government and helpful to us. Ditto Peter Flannigan, a key white house guy and Harley Staggers, Dem. Chair of the house commerce committee. Jerry Ford minority leader in the house (and later a distinguished President).

Back at the DOT shop? Jack Doyle—He of Texas A&M wrote a transportation policy bible in 1960. Since then lots of DOTers have delivered more. Gallamore, Huff and Walsh—decades later their fingerprints are still around. A young newcomer in the early days George Carneal moved up to FAA general Counsel. Secor Brown MIT professor was first A/Sec research and later Chair of the CAB. Our regulatory wizards included Dave Schwartz and Bob Calhoun. Charlotte Adams a lower level staffer on the property retired a number of years later as Assoc. Admin—UMTA. Maybe a much too brief series of encomiums is a good place to stop, but not without a tip of the hat to our resident congressional expert Bob Bennet. A half century later he remains acknowledged as an expert in an arcane field. (Later became a Senator. Volpe and company picked people well). A closing romantic note re this young department. Mary Carlile down from Maine to our staff married Bruce Schultheis in the policy shop and then off to Alaska with the incumbent Senator. Or our D/Asec for urban affairs who married our presidential student—then off to Chicago.

Having reached an age of "half a dead man's hand" time to stop. My three years at DOT were among the most rewarding in my peripatetic career.

# HOW JOHN VOLPE SAVED THE WASHINGTON METRO

Jeffrey N. Shane

As a special assistant to the DOT General Counsel John Barnum in the early '70s, I acted as a kind of utility infielder – jumping on hot issues as they came up, and having the good fortune to spend a lot of quality time accompanying my boss to meetings with the Secretary. During President Nixon's first term, the Secretary was John A. Volpe, the former governor of Massachusetts. He had earlier served as the first Federal Highway Administrator under President Eisenhower, and now would be America's second Secretary of Transportation.

The ground-breaking ceremony for Washington's new Metrorail system, authorized by the National Capital Transportation Act of 1969, had taken place at Judiciary Square in that same year with Secretary Volpe manning one of the shovels. By the fall of 1970, however, the Washington Metropolitan Area Transit Authority (WMATA) – the entity charged with building the system -- had just about run out of funds.

Two-thirds of the money for the system was to have been provided by the District of Columbia; one-third from the surrounding jurisdictions. The other jurisdictions had lived up to their end of the bargain but the District had not. It was not DC's fault; it was the fault of the chairman of the DC Appropriations Subcommittee, Democratic Congressman William Natcher of Bowling Green, Kentucky. A number of controversial Interstate segments planned for Washington had been held up as a result of organized citizen opposition. In response to that opposition, the Federal-Aid Highway Act of 1968 had contained a provision ordering the construction of the segments, including a new Potomac crossing

west of Key Bridge – the Three Sisters Bridge -- and new freeways through the Northeast and Northwest quadrants of the city. Although the DC Government had reluctantly tried to comply with the requirement, progress had been held up by litigation brought by opponents.

Apparently determined to demonstrate loyalty to his Public Works Committee colleagues and thereby to qualify for more earmarks for his own district in Kentucky, Natcher refused to release the District's share of project funds until the DC Government provided an unequivocal and irrevocable assurance that it would proceed with the controversial projects. Court injunctions were no excuse.

Secretary Volpe had been a successful building contractor in private life; his company had even built the Nassif Building at Seventh and D Streets, S.W. – to be the new home of the Department of Transportation that he would be the first Secretary to occupy. He knew what happens when projects run out of money: contractors move their heavy equipment away – it's too expensive to be left idle – and it becomes almost impossible to restart the project without incurring huge additional (and unbudgeted) costs.

Volpe called a meeting with staff from the General Counsel's office and the Urban Mass Transportation Administration, a DOT sub-agency and predecessor to today's Federal Transit Administration. The Secretary wanted to know whether he had the legal authority to offer a loan to WMATA that would enable it to keep the contractors working.

The question came to me and to Joe Blundon, a senior lawyer with UMTA who knew the agency's enabling legislation better than anyone. Together, we combed through the statute in search of language that might be cited as support for what Volpe wanted to do.

Because Metrorail had been separately authorized by the National Capital Transportation Act, Congress might be forgiven for thinking that any money DOT made available to WMATA would have to have been appropriated in keeping with that legislation and no other. Nevertheless, we found some thin statutory reeds on which to predicate an argument that, the National Capital Transportation Act notwithstanding, Washington's Metrorail project was eligible for assistance through the national mass transit program. In other words, Secretary Volpe did have the authority to offer WMATA the proposed loan. It was a legal stretch to be sure, but it was the opinion our client wanted, and we gave it to him.

Volpe knew the loan would be hugely controversial and, given the likely Congressional objections to his end-run around Natcher, might even put other DOT programs at risk. He was offended by Natcher's shenanigans, however, which he felt might well damage the District beyond repair. He also knew that the Nixon White House was unhappy with the impasse over Metrorail; Nixon had specifically asked Volpe to get it resolved. Volpe quietly submitted the proposed loan idea to the Office of Management and Budget, where

it was approved by then Deputy Director Caspar Weinberger.

On October 14, 1970, one hour before a scheduled Congressional recess, Volpe announced that he was prepared to offer a \$57 million loan to WMATA. Headlines in the Washington Post the next day heralded the rescue of the project. WMATA formally applied for the loan the following day and announced that it would continue to let contracts. Natcher reportedly protested loudly, but the White House and OMB were fully behind the loan and his complaints were unavailing.

Had Volpe not acted when he did, the project might have been put on hold indefinitely. Holes already dug might have been filled back in, and Washington would have had to wait a long time for the project to start back up. The loan neutralized Natcher and provided more time to find a resolution to the Metrorail-Interstate impasse. (Eventually Volpe cancelled all of the controversial highway segments, in some cases under a welcome court order.) Metrorail's survival in October 1970 was wholly attributable to as courageous a decision as any Secretary of Transportation has ever had to make.

# SECRETARY CLAUDE S. BRINEGAR AND THE OIL CRISES

Alan E. Pisarski

Secretary Claude Brinegar's tenure at DOT was not long, serving two years from February 1973 to February 1975, but in many ways it was crucial, given the nature of the times in which he served and his particular expertise. In the fall of 1973 the Arab States initiated an oil embargo via OPEC against the US as part of the Arab-Israeli conflicts of the period. Its imposition led to long lines at gas stations as stations lost supplies or rationed what supplies they had and a quadrupling of oil prices. At the time the nation was very dependent on imports of petroleum and discovered how exposed we were to oil blackmail.

It is hard today to explain what ignorance existed about petroleum and its products at that time. It was a commodity taken for granted as always being there like apples or toilet paper. At the time, for example, I was serving in a UN body that, with great humility, called itself the Group of Experts in Transport Statistics and in a meeting in Spring of '73 I suggested that the deep connect between petroleum and transportation argued for our greater focus on the topic. I was politely told that there was a committee on petroleum elsewhere in the Economic Commission for Europe, and if I liked, they would introduce me to its leadership. In the Fall of that year, after the boycott started, I received an urgent call from Geneva inviting me to chair a sub-committee on petroleum- transportation interactions.

The ignorance about the subject of petroleum was really quite acceptable as the boycott began, because just about everyone was ignorant together and learning fast was on everyone's agenda. Most people didn't even know how many gallons there

were in a barrel of oil (42!). What a propitious time then to have an oil man and a PhD mathematical statistician as Secretary of Transportation. Secretary Brinegar was the man of the hour. Imagine how valuable such a man was at the highest levels of government, largely surrounded by squabbling pygmies:

- In the Congress ideas for fuel savings were sometimes fatuous and we learned a lot fast about economic impacts. One Senator said turn off all the heaters driven by diesel -- the hot-house florist industry exploded. Then they said park all those big yachts to save fuel -- the yacht finance industry exploded. Then they said kill the diesel used to make electricity at remote places so people can use chair lifts to go up a hill and ride down and then go back up to do it again. The Senators from Colorado and New Hampshire coughed.
- The White House staffers said switch the refineries to making gasoline; the Secretary politely explained that refineries were highly focused, and specialized on given inputs and given types of outputs, changing over was possible but took substantial time and was not just a matter of flipping a switch.
- The White House was giving serious consideration to gas rationing and coupons were being designed and printed. I was in the Assistant Secretary for Policy's office on the phone with the White House as they went down the list of what parts of the economy would get how much fuel. It, of course, was easiest to take small amounts of fuel from auto use which accounted for the great majority of consumption and give it to something else where a small percentage of the auto share was an immense benefit to small users. When we had finished going down the list of diesel users I asked: "What about railroads?" and the voice from the White House said: "Trains use diesel?"

- Perhaps the quintessential Claude Brinegar story for me was, the Secretary and I were in a meeting with the FHWA Highway statistics staff director and when he told the Secretary that such and such was the state of affairs in energy –the Secretary reached into his top drawer and took out his very large K&E slide rule slid it back and forth a bit and then said: “No!” the poor head of FHWA statistics just about fainted. Brinegar asked” Where did you get that data?” and the answer talked about state reporting etc., to which the Secretary replied: No one uses that!”

In this environment the Secretary was absolutely crucial. He had me institute a reporting system from gas stations all over the country so we knew how many were open, what supplies they had on hand, and how were they allocating fuels. This

report went to the White House every Monday morning with other key statistics and was used to brief Vice President Rockefeller each week and to support cabinet meetings. I learned that Rockefeller was dyslexic and so pages of text were useless, so we instituted a system of just charts and graphics with small bullets – kind of what a standard PowerPoint presentation was like 20 or so years after. Later, when William Simon was named “Energy Czar” and created and led the Federal Energy Administration, they worked together. At one meeting, Simon said to the President: “Our data show...” And Brinegar interjected with a smile: “your data is our data!”

It was my great privilege to be able to serve at that time with a man so well-equipped and well-positioned to serve his country in an hour of need.

# BILL COLEMAN'S UNIQUE DECISION-MAKING PROCESS

Donald T. Bliss

A little before 11:00 pm on July 31, 1975, Bill Coleman called me into his office. As he had instructed, I had prepared two alternative drafts of a decision on Virginia Governor Miles Godwin's proposal to build an eight-lane freeway through northern Virginia to the shore of the Potomac River, across from the District of Columbia. A press conference to announce the decision was scheduled for the following morning.

When Bill Coleman accepted President Ford's offer to be Secretary of Transportation, he agonized over whether to accept full time government employment. He had turned down numerous previous offers including several judgeships, preferring to pursue his first love as a law firm managing partner and litigator. But the country was recovering from Watergate, and Ford was anxious to supplement the cabinet he inherited with individuals with diverse backgrounds, stellar reputations and integrity. Having worked with Ford on the Warren Commission and other part time endeavors, Bill could not turn him down.

So William T. Coleman, Jr, first in his class at Harvard Law School, brought to Washington the skills of a litigator, a penchant to understand fully the complete record, to listen carefully to the arguments pro and con, and to explain clearly and in writing his decisions. He thought that a full and fair hearing that would make clear to the public that decisions were to be made on the merits and not through behind the scenes political intrigue was essential to restoring confidence in government in the post-Watergate era. He expressed these views in speeches to the Time Magazine leadership conference and Phi Beta Kappa.

The first of many controversial decisions he faced was whether to approve the eight-lane I-66 highway that would feed commuter traffic from the western Virginia suburbs over the Theodore Roosevelt Bridge into the District of Columbia. A plan to build a new Three Sisters Bridge over the Potomac had been scrapped along with the transfer of highway funds allocated to DC to build the new 98-mile Metro system. There was strong support from the further out residential communities which faced increasingly congested commutes to the capital and strong opposition from DC and near-by Arlington County which feared increased automobile traffic in their jurisdictions and had made a commitment to Metro.

Bill decided to publish in the Federal Register a list of issues that he needed to consider and to schedule a full day public hearing to hear the arguments directly from both sides. Environmental issues, such as air pollution, were a serious regional problem. The Organization of Petroleum Exporting Countries' oil embargo had quadrupled the price of imported petroleum, precipitating an energy crisis. Master plans in DC and Virginia were in conflict.

After the July 21<sup>st</sup> hearing, Bill called me in, outlined the arguments pro and con, and asked me to draft two decisions, one approving and one rejecting the Virginia proposal. At our late evening July 31<sup>st</sup> meeting, he told me that he planned to disapprove the proposal on the grounds that constructing an eight-lane freeway to feed peak hour traffic into the District was contrary to emerging policies on energy conservation, air quality, noise, park conservation, the quality of urban living and the region's commitment to rapid transit. However, he instructed me to add certain conditions at the end of the decision: to direct the Department to develop plans to improve access to Dulles Airport, to improve public transit alternatives in northern Virginia, and finally to enable Virginia to submit a modified proposal that addressed the environmental and other concerns



articulated in his decision. I pointed out that this final condition would probably engender another proposal from Virginia that he would feel obligated to approve. He said that condition was essential if he were to disprove the eight-lane freeway.

There was a strong reaction--negative and positive-- the next morning after he announced his decision. A *Washington Post* editorial strongly praised the decision as a wise and forward looking view of national transportation policy, recognizing the need for alternatives to the automobile. As Bill predicted, Virginia and the Department entered into lengthy negotiations which resulted in a compromise proposal for a four-lane highway, with the median preserved for metro expansion (and ultimately access to Dulles) and precedent setting car pool restrictions during peak hours. Like so many of Bill Coleman's decisions, it was a compromise between two competing policies and positions, all of which were achieved with transparency and clearly explained decisions and all of which were upheld after judicial scrutiny.

On the theory that no issue is ever finally resolved, I-66 remains controversial today as plans to widen it are debated. Nonetheless, the issues addressed in Bill's decision remain remarkably prescient, taking on a new dimension with the debate on climate change, and Metro extends to Vienna, Virginia and beyond with the new Silver line providing rapid access to Dulles Airport.

The unique Coleman decision-making style was used for many controversial issues, from admitting the supersonic Concorde to the US, to the introduction of airbags in automobiles, to building a new St. Louis regional airport. In each case Bill conducted a lengthy public hearing and drew upon the thoughtful presentations and extensive record in fashioning a compromise, which was explained in detail in a written decision and upheld on appeal.

There were some interesting variations. At the hearing on airbags, Ralph Nader with little flare for diplomacy opened his presentation in support of a mandate with a comment along the lines of: "some of us feel as strongly about automobile safety as you, Mr. Secretary, feel about civil rights." Controlling his resentment at Nader's implication, Bill calmly responded that as Secretary of Transportation his overarching concern in presiding over a six-hour hearing is automobile safety.

While Bill was agonizing over the Concorde decision, I walked into his office while he was rereading the multivolume Environmental Impact Statement (EIS), all dog eared and underlined. He asked for an aircraft noise specialist to come to his office to explain the meaning of certain measurements. I said: "Bill, you don't have to read that whole EIS, that's what you have staff for." He responded: "I read the statute, which requires the decision maker to address the issues raised in the EIS. I am the decision maker so I have to read it myself."

When Bill issued his Concorde decision, he invited the press to come into a locked room an hour in advance and read the 120-page decision, before he appeared to answer questions. He did not want a sound bite announcement without an understanding of the complex underlying rationale and process. Because there were rumors flying that President Nixon had made a secret deal with French President Pompidou to allow Concorde service to the US, Coleman did not even inform Secretary Kissinger and the National Security Council of his decision, which begrudgingly sent over a couple of staffers to sit in the locked room and read the decision. After an early morning appointment on Capitol Hill, Bill stopped at a pay phone to call President Ford to inform him of the decision. He misdialed and had to borrow a quarter from a *Washington Post* reporter who was tailing him in order to call the president. He

offered to resign if Ford was unhappy with his decision. The president was not.

With cell phones today, Coleman's antics with the Concorde decision likely would not work. Indeed, the Coleman style of decision-making was unique and probably has not been replicated at the cabinet secretary level, although it has been studied in law

schools and schools of public administration. At a time when there is so much mistrust of Washington, it might be useful to examine the benefits of using a transparent process in which the decision maker outlines the issues at stake, presides over a public hearing and explains his or her decision in writing. This is one of the Coleman legacies.

