

THE PORT AUTHORITY OF NEW YORK & NEW JERSEY
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REGIONAL POLICY ROUNDTABLE 2

Transportation and Regional Economic Competitiveness

COMMENTS OF ALAN E. PISARSKI

I am a New Yorker. Born and raised in Queens - P.S. 27, Flushing High School, Queens College, City College, etc. I know that this statement does not exactly stand up there with President Kennedy's "Ich bin ein Berliner" in terms of drama or impact but there it is.

While still in college I joined the Tri-State Transportation Commission, the regional planning agency for the region, as a very junior staffer. That was my first transportation job. Those were very halcyon days. It was all very shiny and new to me. I had the great privilege to work with some of the best people in America. Of course I didn't know that then - they were just my bosses. Later I found out that people took salary cuts to come to Tri-State to work for Doug Carroll and Lee Mertz - They called it tuition. And I came to admire those men and others that I worked with at Tri-State greatly.

When the Tri-State program was formed in the late fifties, the BPR, the forerunner to FHWA, wanted the best people possible for the New York study, because of its size and its importance, and because New York would make or break the new planning regulations that had been just put in place in Washington by the new Highway Act.

We used to sit in the 16th floor of 100 Church Street., which is not far from here - just out the window over there, and I remember many debates about New York and what made it unique. Doug Carroll had done the Detroit Transportation Study, really the first in America, and then the Chicago Area Study, CATS, along the way inventing the metropolitan transportation planning process. After doing those other cities he was constantly astonished by the scale of New York. His typology for American cities was - New York - and all the others.

Today, that typology is a little less true than it was then. A lot of American cities and metropolitan regions look more like New York than before and New York looks a lot more like the rest of America than before. Still extraordinary, and still special, but regressing toward the mean. In the fifties metro areas seemed to be

more like their archetypes. New York, Boston, Los Angeles were all symbolic. The east-coast cities were products of the eighteenth century, the west coast of the twentieth - the post war twentieth - the automobile cities. But today they have grown much closer in character and urban form. It is my guess that in twenty years Los Angeles and Boston will be fundamentally indistinguishable. New York then had a transit share for journeys to work that was incredibly distinct from national patterns. Today that transit share is still higher than anyone else's but more like everyone else's. The national average for commuting to work by transit is just about five percent and the New York Region is more like 27 percent. It has slid over the years as work trips have shifted more to the suburbs and women have shifted out of transit to autos as they joined the labor force in dramatic numbers. But the New York area with over 2 million transit commuters each day still has about one-third of all the transit users, around 6 million, in the nation. It still has the highest walk to work share, 6.5%, and lowest single occupant vehicle to work share, 52%. of all metro areas over 1 million.

In the early sixties one of the planning alternatives for the Tri-State region was "Multi-nucleated development" - basically regional centers sprinkled around the region clustered around Manhattan. I don't remember anyone adopting that plan, or doing anything to make it a reality but that's clearly what we got. Sprawl with lumps I call it. Not only does New York look like the plan it never adopted, but so does just about every other metropolitan area in America.

One of the things that I observed in writing "Commuting in America" is that the bigger the area the more oriented to a suburban - dominant pattern it is. It is only the smaller metro areas - the Columbus Ohio - that still have a dominant center. Why? Perhaps because their suburbs have not grown to a size sufficient to support new centers, or more likely that their centers are still reasonably accessible because of lack of congestion and relatively limited distances to the center.

This pattern which I made much of in "Commuting In America" is really not new. Even when Tri-State was just forming its data base 30 years ago, it was clear

that even with the colossal scale of Manhattan, the fact was that only a very small percentage of workers in each suburban county actually worked in the "city". New York was suburbanized in jobs thirty years ago. The shift has continued and will continue into the future. This may surprise you but New York has the lowest share of suburbanites commuting to the center county (manhattan) of any of the large metro areas - about 18% and declining, the average for all areas over one million is about 20%. The biggest growth in shares has been from one suburban county to another. At the same time New York still has the highest ratio of jobs to workers in its central county, about 2.7 jobs per worker.

When in Los Angeles I am fond of saying that Los Angeles today is the economic engine of America - it is to the 1990's what New York was to the 1890's - The melting pot, the crucible of growth. I'm not sure how that idea plays in New York. But has New York really lost it, or has it really just changed in style? Right now I would guess that New Yorkers would be happy not to have LA's problems.

One of the debates we used to have about New York over at 100 Church in the sixties was about the center city and the automobile. One view was that unless we opened up the center to the automobile it would die - and, conversely, the opposite view was expressed that if we do open up the city to the auto we will kill it. Believe it or not I was the one that argued to defend the city from the auto. Today my view is that the future belongs to the auto - and to walking - people will drive to where they want to walk. Transit unless it can transform itself will be relegated to serving limited markets; perhaps very important where it is important but only in a limited number of places will that be the case. One of those places will of course be New York.

My view from all of my work is that the driving force in travel today, and in the future as far as I can see, will be time. The society today is driven by the preciousness of time - time isn't money as the pithy saying goes - it is much more important. Women workers, especially, juggling jobs and household responsibilities, are heavily motivated by time pressures. That is why transit has died, why carpooling

has died. New York has the worst work trip travel times of all major cities, about 31 minutes, almost 10 minutes higher than the national average. Notably it has the highest share of commuters, over 16%, commuting longer than an hour. The time pressures on freight movement are just as great. The pressures for mobility are immense; flexibility and safety are also factors but time is the key driver.

The other key factor is amenity. When I left New York years ago it was a very conscious, very deliberate decision. I had decided that New York, 30 years ago, was unlivable for a young family with two kids. I realized that because what urban transportation planners did was pretty much the same everywhere, I might as well do it in a nice place to be. I was in fact the unknowing model of the footloose service industries to come.

The shifts in the character of industry and services in the last 25 years have affected the nature of transportation needed to serve it. When coal and steel were crucial the great railroad centers and water access points such as Detroit and Pittsburgh were key. The need for transportation to support industry is still great but it is a more ubiquitously available kind of transport - freeway access, airports, telecommunications and package delivery services.

Airports, now and in the future, are the equivalent of the seaports of the 18th and 19th centuries. They are the economic drivers of regional health. Of course, seaports are still the dominant factors in terms of tonnage, and with true intermodal capabilities are also major forces in international trade. Since deregulation of most of the transport modes in the late seventies and early eighties, carriers and ports have been driven by shippers to greater productivity, and greater service at lower costs. It is very much a buyers market; and it will remain that way for the foreseeable future.

Given that the transportation services demanded are relatively ubiquitous, corporations are free to go anywhere - to optimize other factors - often those factors are amenities like climate, living costs, attractive recreation, etc. And since those economic

factors don't represent a major private infrastructure investment for the firm to which they would be tied, they are free to go someplace else when labor markets or amenities attract them. Shippers and ships often have the same footloose opportunities, they can shift international gateways or domestic shipping points as costs shift or other factors change.

Well, we know that New York can't change its climate or import ski slopes or palm trees. What then is to be its comparative advantage? It has to be two things - its people - and their productivity - productivity abetted by high degrees of personal mobility. To succeed - to survive - New York must have the best transportation system in the world.

One of the great economic drivers in the future will be the search for capacity, transportation capacity, particularly highways and airports, and the rail-seaport intermodal set. This search will be underway by businesses and households alike. CAPACITY, CAPACITY, CAPACITY. The search for capacity will cause people and business to move. Unless metropolitan regions increase their capacity to move people and freight they will watch the further decentralization of their regions and the country at large.

I know that this seems to contradict the demand management - constrain them and they will do what we want - philosophy that is current dogma. That dogma is wrong. Making things better is the only solution that works. Making things worse, adding costs, using congestion as a tool, to further pet public policies is only a tool for further dispersion. So much of public planning today is planning against the population instead of for it, one is not astonished at how failed our policies are. The Port must examine its policies and consider in how many cases, and in what ways it is acting to squeeze the public into using the services the port wants to provide rather than what the customer wants. We keep trying to get the public to want what we want them to want. WRONG! Taking a cue from the freight side might be in order. Providing the service you want to provide rather than the service the shipper or carrier wants is a ticket to oblivion.

I recently visited The Department of Transport in the United Kingdom. As one walked in the Marsham Street entrance there was a large sign addressed to the employees that said in effect: "The citizens of the United Kingdom are our customers. Our customers are King. Giving them the services that they want is our duty and obligation." Imagine a DOT saying that today in America. Our paraphrase would be: "The citizens of x are our clients. Unfortunately, our clients are confused and foolish, wanting all the wrong things. Our job is to give them what we know they need and prescribe for them, rather than what their actions indicate they want."

How do we make things better? Its a long list. We can only look at it briefly.

First of all there is a list of eight transportation activities that go on in any region that must be considered. The list is as follows:

RESIDENT WORK TRAVEL

RESIDENT TRAVEL FOR OTHER PURPOSES

LOCAL TRAVEL BY VISITORS

PUBLIC VEHICLE ACTIVITIES

URBAN GOODS DELIVERY

URBAN SERVICES DELIVERY

THRU TRAVEL BY PASSENGERS

THRU TRAVEL BY FREIGHT

It is clear from even casual review of this list that we don't focus on a lot of the items in the list, statistically, analytically, or in policy perspective. We need to treat them all. Most of our focus in public policy and public debate is on passenger travel, and particularly work travel. Commuting is important but it is not transportation. But it is too often almost our exclusive concern.

One of the great issues in commuting in the region will be getting inner city populations out to the light manufacturing jobs that have shifted to the outer edges of the region. There are 10 million households in America without vehicles - two million of them are in New York. A large segment of those are minority populations. They need to be served better. Transit vans to bring them to suburban jobs will be part of the answer. Those jitney systems over in Brooklyn that everyone but the public hates are an obvious response to a real need. We have to recognize that auto ownership will be an almost inevitable consequence of their joining the suburban job stream. New York has the highest share of households without a vehicle in the nation - almost 32%, but despite that still has the highest vehicle density in the country, about 1100 per square mile, roughly twice the density of the next closest area Chicago. My belief is that walking will be a key element in the improved future mobility of the city. Auto free zones, walking streets, are a big part of the amenity package. George Haikales, an old Tri-Stater, talks about auto-free New York. I am tempted to say lets give it a try. If it will work anywhere it will be in New York.

Even if we could serve commuting by transit means alone, and of course we can't, even in New York, the road system will be crucial for all the other purposes identified. If you ask UPS, Fedexpress or the others they will tell you that New York is the highest cost destination they have, per package. Other destinations are subsidizing New York. New York must make a total effort to bring its costs into line. One of the great attributes New York has to offer is scale efficiencies. If congestion costs overwhelm those efficiencies you're in trouble. This includes urban goods and services delivery and public vehicle access. These are the lifeblood of the distribution system for small business and services industries. The competition for street space is fierce. Policies should be conscious and fully cognizant of their implications.

Tourism is an issue area in itself. New York is one of the world's great tourism attractions. The U.S. balance of payments in tourism and travel has shifted dramatically positive in recent years and will stay that way. Current receipts in the first half of the year

generated a \$10 billion surplus. America is the world's favorite travel destination. As other nations' citizens increasingly acquire the means to travel, visits to the U.S. will continue to expand. New York is a natural part of that. Its major role in the tourism trade is almost guaranteed, but it can manage to do damage to that natural advantage with uncertain and expensive services, inequitable taxes and unsafe streets. There is a tendency to hit tourists with heavy taxes because they don't vote - but they do vote - with their feet. The taxes I paid on my hotel bill for last night were close to the cost of a room in a lot of places in America.

In freight movement into and through the region and the country New York has been a leader since colonial times and must stay that way. The keys here will be strategic investment, in partnership with the private sector. The port must lead the way with vision and an appropriate sense of scale.

When I left New York almost 30 years ago the Port Authority of NY&NJ was a dominant factor in the region's health and prospects for growth. It was an invigorating force in the economy and the society. Don't tell me that it has reached its dotage and has become comfortable with itself!

In the future the New York region will need leadership as never before. It will need leadership with a long-term view - a champion for mobility. It will need immense amounts of strategic investment in infrastructure focused on the long term with a comprehensive sense of the whole region's economic and social well-being. In my view that kind of leadership can only come from this organization. It must be up to the challenge.