Subcommittee on Highways, Transit and Pipelines Hearing on Celebrating 50 Years: The Eisenhower Interstate Highway System June 27, 2006, 2:00 p.m. 2167 Rayburn House Office Building

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Good afternoon Mr. Chairman and members of the Committee. Thank you for the opportunity to appear before you to speak about the fiftieth anniversary of the Eisenhower Interstate Highway System.

The planning, design, construction and ongoing renewal of the Interstate System are together an extraordinary accomplishment in the history of our nation. The system is the envy of the world, and is being emulated today across the world from China to India to the expanded European Union.

Others today are concentrating on how the system came into being. I would like to focus on the benefits the Interstate has bestowed, and on the lessons it has taught us.

First, the safety impacts of the system are perhaps its most important legacy. As shown in the attached chart, the system in its early years exhibited a fatality rate just less than 3 per 100 million vehicle miles, roughly half the rate on non-Interstate roadways at the time. Over time, that rate declined to under 1 death per 100 million vehicle miles.

Moreover, the Interstate demonstrated the benefits of its distinctive design features, such as medians between opposing traffic lanes, grade-separated interchanges, and high design speeds. That demonstration effect led to the wider adoption of such features on non-Interstate roads, leading to lives saved off the system as well. Together, these on- and offsystem effects have saved tens of thousands of lives in the last half century.

The second legacy is the effect on American lifestyle. The Interstate's development occurred during a time when the nation was engaged in a massive shift of housing, retail and employment to the suburbs. Demand for suburbanization arose from many sources besides the Interstate. The GI Bill, VA housing loans, mortgage interest deductibility – all of these contributed to America's suburbanization. But the Interstate was a powerful force shaping how, how fast and how much suburbanization occurred.

Today, the majority of Americans reside in suburbs, and the Interstate system is an integral part of everyday life. Almost every American household and business has a range of choices of where to work, live, play, shop, study and worship that would not be possible without the Interstate system.

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The third legacy is our freight and distribution system. The Interstate has facilitated a fundamental transformation of this system. Truck utilization has soared at a <u>rate</u> of increase of almost 12 percent per year since 1956.² Today, virtually every item in our workplaces and households has reached us via the Interstate system.

This shift to truck-based distribution allows the American economy to have the world's most efficient supply chain management system. This efficiency arises in part from faster and cheaper transportation. But faster transportation also allows shippers to spend less on warehouses, and less on inventory in those warehouses. And products are less likely to spoil or become obsolete or go out of fashion while in a warehouse or in transit. Overall, our "total logistics costs," as this bundle of services is called, have declined from 16 percent of GNP in 1980 to 10 in 2001 at the same time that freight volumes have exploded.³

The Interstate has also taught us some important lessons.

First, the Interstate system has taught us that large-scale social and technological systems are complex and unpredictable. Many of the consequences of the Interstate system – positive and negative – were not anticipated. In 1937, the Bureau of Public Roads predicted that trucks would never carry a significant amount of freight because they would be inexorably squeezed between rail for bulk commodities and air for high value freight. Mayors clamored for urban interstates to help revitalize their downtowns. Transit owners believed their primary concern was being exempted from motor vehicle taxes. Reality turned out to be dramatically different.

Moving forward we must be humble about our ability to predict consequences, and support careful monitoring and measurement of the impact of our programs in order to continue to benefit our economy.

The second lesson we learned from 50 years of Interstate building is how much we value community preservation, social justice and environmental stewardship. In the early years, the Interstate had serious adverse impacts on many older cities and especially on poor and disadvantaged communities. Our urban renewal policy of using Interstate highway investments to remove "blighted" areas displaced tens of thousands of poor African American citizens. We also sought to build Interstates through parks and environmentally sensitive open spaces.

Congress soon intervened and passed landmark environmental legislation such as the Clean Water Act, the National Historic Preservation Act, the Clean Air Act Amendments of 1970, and the National Environmental Protection Act of 1969. These laws continue to guide highway and non-highway development today.

Finally and most importantly, the Interstate shows that the development of a carefully engineered and planned system can bring extraordinary benefits. This achievement arose from strong federal leadership for planning and financing that is almost unprecedented in our 230-year history. The nation has spent \$420 billion dollars on the construction of the

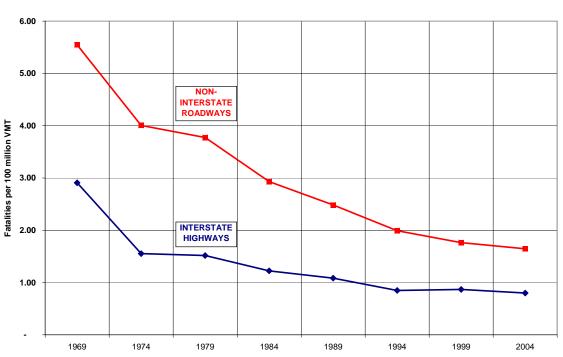
² U.S. Federal Highway Administration, *Highway Statistics* (Washington, DC: Annual Issues).

³ U.S. Federal Highway Administration, *FHWA Freight BCA Study: Summary of Phase II Findings* (2004), available at <u>http://ops.fhwa.dot.gov/freight/freight_analysis/bca_study_phase2/</u>.

Interstate, \$370 billion from federal sources.⁴ System development has adhered generally to the 42,000-mile network that was defined between 1944 and 1956. For almost 4 decades between 1956 and 1990, Congress was satisfied to focus on building the interstate, and special projects were a rarity. No other system in our history – with the possible exception of the air traffic control system – has commanded such long lasting federal leadership and support.

These legacies and these lessons make a strong case for strong and continued attention to the stewardship and renewal of the Interstate system we have built, as well as careful consideration of options for expanding and adapting it to the challenges and realities of the 21^{st} century.

Thank you, and I welcome any questions you might have.



Fatality Rate Trends

sSource: American Association of State Highway and Transportation Officials, based on U.S. Federal Highway Administration, *Highway Statistics* (various years); and data from the Fatal Accident Reporting System (FARS).

⁴ Author's calculation, based on United States Government Accountability Office, "Highway Infrastructure: Interstate Physical Conditions Have Improved, but Congestion and Other Pressures Continue,"

(Washington, DC: 2002); and U.S. Department of Transportation, 1991 Interstate Cost Estimate : Report from the Secretary of Transportation Transmitting a Report of Factors for Use in Apportioning Funds for the Dwight D. Eisenhower System of Interstate and Defense Highways (Washington, DC: 1991).