



TRANSPORT FOR A GLOBAL ECONOMY

*Challenges and Opportunities
in the Downturn*

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KEYNOTE ADDRESS

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Good morning.

On behalf of President Obama, I am delighted to join you in the beautiful, historic city of Leipzig for this year's international transport forum.

I want to thank our gracious hosts – Transport Minister Tiefensee and Mayor Jung.

And thank you, Minister Yıldırım and Mr. Short, for your excellent work in organizing this outstanding forum.

As we all know, we're facing a number of serious challenges around the world.

For instance, the global credit crunch makes it difficult for all of us to sustain our investments in the transport infrastructure that we depend on to move people and goods around the world.

Piracy on the high seas threatens to disrupt our access to international shipping channels.

And our nations face an urgent need to reduce our dependence on oil and find sustainable alternative energy sources that will contribute to a cleaner environment.

Working together, as sovereign nations, we can go a long way toward solving these problems.

The way forward is through cooperative agreements on research and technology.

Mutually enforced standards to enhance security and environmental practices in the global supply chain.

Effective guidance and training to help the maritime industry combat piracy.

And a continuing commitment to opening our borders to free trade.

This is only the beginning. Achieving these goals will not be easy. And we will not agree on everything.

But we are inter-dependent – now more than ever. Our economic ups and downs ripple across the continents.

Our decisions on energy policy and fuel efficiency affect market prices for oil – and the rate of climate change.

As President Obama said recently, the history of a nation:

“is not about things coming easy. It's about rising to the moment when the moment is hard, converting crisis into opportunity, and seeing to it that we emerge from whatever trials we face stronger than we were before.”

I believe all of us here today share this commitment.

And this forum is an excellent place to carry on this work.

In the United States, we are responding to our challenges with short- and long-term strategies to ensure that our transport systems continue to play a vital role in our economic development at home, and our participation in international trade abroad.

The American Recovery and Reinvestment Act, which President Obama signed into law three months ago, is a ground-breaking, 787-billion-dollar effort to stimulate the U.S. economy through targeted short-term investments in infrastructure, energy, tax relief, and other vital areas.

The Recovery Act awarded 48 billion dollars to the U.S. Department of Transportation for new investments in roads, bridges, transit systems, seaports, airports, and other critical infrastructure.

To provide some perspective: This is like managing almost two years' worth of federal transportation programs all at once.

This is a remarkable and historic effort, and we're managing it with great efficiency.

The DOT has made more money available to states, more quickly, than any of our routine programs normally do.

In some cases, we're moving funds at nearly twice the rate we would otherwise.

How have we accomplished this?

First, we prepared ahead of time.

Even before the recovery legislation was passed, I met with state transportation leaders and told them to prioritize a list of projects that were ready to go out for bids.

Many states had a backlog of projects that were simply waiting for additional funding. We told them, be ready to move quickly.

Fortunately, we have had very good relationships with states and other stakeholders for many years.

This helped us achieve the level of cooperation we needed.

Second, at the outset, I created a new team of senior officials within our Department, with expertise in budgeting, planning, operations, and other key areas, representing all the modes of transportation.

I asked this team to develop reporting standards to accurately track the money as it is spent and ensure that all accountability requirements are met.

And third, we have an extremely capable, dedicated workforce that has worked very, very hard to reach out to our customers around the country, and make this program a success.

As a result of our efforts, the Recovery Act has so far succeeded in pumping nearly 13 billion dollars in transportation funding directly into our economy, with billions more to follow.

These federal funds allow all 50 states to make much-needed repairs and upgrades to roads, bridges, transit systems, port facilities, airport runways and more.

A portion of the funds support cleaner, greener transit vehicles that reduce greenhouse gas emissions.

These are investments that most states simply cannot afford to make on their own due to budget cuts.

So the federal government is truly stimulating local economies – and saving or creating thousands of good paying jobs.

And many of those jobs are “green” jobs. For example, a company that makes buses that run on alternative fuels is hiring workers, thanks to new orders from public transit operators receiving stimulus funds.

The Recovery Act also breaks new ground for America, in the area of high-speed and passenger rail.

President Obama has committed more than 8 billion dollars to new and revitalized passenger rail corridors across the country.

This is by far the largest single federal investment in passenger rail in our nation's history.

This is a down payment on a new effort by the United States to make passenger rail a vital link in our public transportation network.

It will bring cities closer together, relieve congestion on our highways, and reduce greenhouse gas emissions.

After riding the TGV earlier this week from Paris to Strasbourg, I am more convinced than ever that the U.S. must look to passenger rail as a way to foster more convenient and efficient intermodal connections.

I was very impressed by the inter-modal links on the Strasbourg end of the TGV.

It's an excellent model for the United States to consider, as we pursue our own long-term strategies and investments in public transportation.

Fortunately, it appears that many Americans are ready to leave their cars at home and take more public transportation – including passenger rail.

Looking ahead, we recognize that the U.S. must do even more to develop a diverse, environmentally sustainable, multi-modal transportation network to keep our economy moving and make our communities more livable.

This is a very high priority for the Obama Administration.

The President recently announced plans to substantially reduce greenhouse gas emissions and raise fuel economy standards for passenger cars and light duty trucks, beginning in model year 2012.

This is a serious push to make transportation much cleaner and greener in the United States.

In the freight rail industry, we are in the process of developing new national freight transportation corridors that will help us make better use of trucks, barges, and rails across North America.

This integrated approach will reduce congestion on our crowded freight railways, take more trucks off our highways, and make better use of under-used coastal waterways that have a low environmental impact.

We're also expediting critical port development projects to help freight flow more easily. And we're investing a hundred million dollars to enhance small shipyards under the Recovery Act.

As we do our part, I'm encouraged by the cooperative, multilateral efforts under way by both industry and government to address our shared environmental concerns – especially in ballast water management and air emissions.

I hope we continue to make progress in these areas.

Another area we must tackle together is the worldwide shortage of skilled seafarers. We must find ways to grow this profession, to keep our maritime industry strong.

In aviation, our top priority is our NextGen program, which will modernize and transform our air traffic control system for the 21st century. I'm prepared to expedite this effort as much as possible.

NextGen is needed to make aviation safer, more efficient – and environmentally sustainable. Ambitious energy goals to reduce emissions and noise pollution are a major part of this effort.

But as we know, our environmental issues do not stop at our borders.

That's why it's good to see that the European Community has made progress on SESAR – the counterpart to NextGen.

We still have work to do, to harmonize these systems and their goals.

I must emphasize that the best way to find workable solutions, is by working together. We are working with ICAO to develop international consensus, and we look forward to continuing this effort with all our partners.

I also know we have some complex issues to resolve in aviation, such as the inspection of foreign repair stations, and foreign ownership of airlines.

We're open to a healthy debate on these issues. We'll listen to all sides and work with Congress to achieve a fair resolution.

In the end, we must all work together not only to secure a brighter future for our own children and grandchildren, but to help developing nations make the right choices as well.

Fast-growing nations such as China and India are a major source of emissions.

And while both countries have made enormous investments in public transportation, their cities – like many of ours – are still choking on auto and truck traffic.

The United States, Europe, and Asia must set an example by fighting climate change effectively, and setting the pace for leadership and innovation in all modes of transportation.

In closing, I am encouraged by the many excellent presentations we heard this morning. I look forward to learning more about our common interests and challenges.

Leipzig is home to one of the oldest and most important trade fairs in Europe, dating back to the Middle Ages.

For centuries, men and women have traveled here by foot, by cart, by bicycle, and by car and truck to buy and sell all types of merchandise.

Such activity not only keeps local economies healthy – it also keeps villages, cities, and entire countries connected.

Let us work together to enhance those connections, and use transportation to unite our nations in peace and prosperity.

Thank you.