

The Story Of Starport America

Transport Policy Under The Third National Bank

The crusade against the supersonic Concorde jet is one more proof of the deeply felt "concern for the environment" displayed by Jimmy Carter and by the lower Manhattan financiers who put that ignoble savage into power. Specifically, what is being so assiduously protected is the environment of obsolescence and decay into which this faction is plunging U.S. industry in general and its lifeline, the nation's transport, in particular.

There could be no fitter monument to the stupidity and rapaciousness of the hegemonic Wall Street financial institutions than the antique and inefficient rat's nest that is this country's transport system. A primary victim of bankers' efforts to sap productive investment in order to buoy worthless debt and other paper, the state of the nation's ports, rails, and other transport is therefore also a telling argument for putting the Wall Street banks out of their bankrupt misery, in favor of a national public banking system devoted to restoring the nation's economic health — the Third National Bank of the United States.

A startling case in point is the story of Starport America, a plan to revolutionize U.S. transport on the basis of work done by a variety of American industrialists and planners during the last decade.

To these men and women the collapse of the ports and railways and the stagnation of the sector's already severely retarded technologies only underlined the opportunity for ground breaking improvements. By and large the industrial and financial interests involved in this and related projects, in both the initial research and development and venture capital projects for implementation, were from the South and Southwest, where industry has maintained at least partial independence from the Rockefeller-centered New York banks. Looking forward to the United States' transport needs in the 1970s — based on the perspective of an expanding economy — these capitalist interests mobilized portions of the Nixon Administration to research and fund the best technologies to meet the future's transport needs.

A program as American as apple pie — and one that the Wall Street crowd and its allies refused to invest in, refused to grant credit to, and instead buried under the scandals, firings, and frameups of the Watergate operation.

The transport plans, which call for major investment in improved transport and a worldwide computerized data exchange and scheduling system, are still awaiting implementation. Most of the research has been done. Tests and demonstrations have shown feasibility. Most of the elements could be in place almost immediately, to

transform U.S. and world transport from the chaotic maze it is today into a coordinated and centralized conveyor belt connecting every part of the world productive mechanism. But it will never get off the drawingboard until a Third National Bank cleans out New York banks and makes the nations' capital available for real economic growth.

The Starport Plan

By far the most ambitious and comprehensive program put forward by this stratum of industrialists was *Starport America*. Initiated by a group that called itself the Distribution Assortiative of America, Inc., the project brought together studies done through the 1960s by corporations, the U.S. Department of Transportation, and management consulting firms, placing them in the context of international trade cooperation. Taking the best of the work done in all areas of transport facilitation, the Assortiative planned a fully containerized and intermodal transport system, to be publicized with an exposition of advanced transport technologies celebrating the U.S. Bicentennial.

It should be stressed that the Starport conception is utterly opposed to the long-standing official program of some of the nation's most important transport unions, particularly the railway workers and the East Coast longshoremens, who for decades have fought any and all technological progress in their sector in the interest of "saving jobs." Playing on the fears of their ranks, these union leaderships have succeeded not in maintaining employment, but in aiding the bankers' sabotage of allowing productively employed new technologies to expand both the number and the quality of jobs for society generally, these mis-leaders are fighting for the "right" of the ever dwindling number of "their" workers to jobs outmoded decades and even centuries ago.

Not all labor unions are so criminally shortsighted, however. The West Coast longshoremens have encouraged containerization and other modernization measures. Significantly, the powerful Teamsters Union took an active role in the trucking side of the Starport project. Such welcome sanity should be just the beginning of a labor-industry alliance for a full program of transport modernization and economic recovery under a Third National Bank umbrella.

The gist of the Starport program is the knitting together of today's heteronomic transport modes. Starport America, which was to be followed by a series of international Starports, was planned as a penta-modal facility,

characterized as a Transportation-Distribution Facilitation Center. The four standard modes of rail, truck, air, and ship would be integrated by a fifth mode, the facilitation center itself. As freight arrives from any of the four transport modes, its containerized contents are automatically routed by the center to the next connecting mode of transport. The center would be composed of a web of conveyor belts geared to hold standard sized containers, which would provide a continuous flow of freight through the center.

The original plan for Starport was sited on the Gulf of Mexico, near Houston, Texas. It called for the construction of a Jetport strictly for air cargo, and separate from

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passenger facilities. This Jetport was to be composed of ten docking modules which could each handle 15 jumbo or conventional jet freightliners simultaneously. A timetable of 15 years was projected for construction of these ten modules, as the facility reached full throughput capacity.

The Seaport would use the most advanced and efficient technology to handle 30 container ships per day. If situated in the Gulf area, the port would mainly be equipped for chemical, petroleum, and containerized freight; the use of sky cranes would make it possible to unload ships too large to enter the Starport itself.

Rail linkage was planned in terms of the most efficient developed rail system, the use of "unit trains." These trains are made up of approximately 100 cars that are permanently coupled and all have the same origin and destination point for every trip. Currently there are 30 or 40 such trains in operation, hauling mainly coal, but this arrangement would be usable for containerized freight as well. The unit train's advantage over the usual method of individual destinations for every boxcar is that it brings equipment utilization up from today's average of 10 percent to between 70 and 80 percent, and keeps the cars moving over 270 days per year, rather than the presently customary 37.

The Starport facility would also be the centralization point for truck shipments throughout the area, and provide a ready link to overseas transport by either ship or air. Most important in improving the productivity of trucking would be rationalization of freight flow through the use of a proposed American Cargo Electronic Data-Processing System and concentration of trucking operations in the Jetport area.

By using the most advanced available technology in transportation and — most critically — using computerization to link all of the five modes into a continuous flow of cargo, a Starport could easily achieve double the throughput of the largest port operations that now exist in the U.S.

The Challenges of Starport

Most of the modal aspects of Starport utilize either technology that is already in limited use, such as the unit trains and shipping equipment, or off-the-shelf technology that could be readily available with adequate investment, such as the central freight terminal conveyors. The most exciting challenges for an international system of Starports lie in the areas of air cargo freight and international computerized data control.

Unlike every other mode of transportation, no strictly freight planes have ever been developed for commercial cargo transport. The small quantity of perishable goods and valuables that are shipped by air generally go in a passenger plane, or a cargo plane that is simply a converted passenger plane. By the late 1960s, airlines began to be squeezed in a pincer between their huge indebtedness, due to the capital-intensiveness of the industry, and the decline in passenger fares, due to the drop in standards of living relative to the increase in costs of operation. At this point the airlines decided to take a look at air cargo freight.

Both Pan American and Eastern Airlines did market studies to determine how the airlines' current 1.8 percent share of international transport could be increased enough to make an investment program in developing air cargo freight profitable, since billions of dollars would be required to design and produce a plane geared from the outset to cargo, not passengers. Hughes Aircraft, McDonnell Douglas, and Boeing all undertook research, development, and design projects to evaluate the cost, size and resulting efficiency required for such a program. And individuals like Edward Cole, a former president of General Motors who was looking into cheaper ways to transport the cars GM produced, began projects to study the possibilities of a massive broadening of cargo transport by air.

Two of the most promising designs are Edward Cole's Husky and the Lockheed Spanloader. The Lockheed plane was conceptualized as a huge aircraft with a payload capacity of over 600,000 pounds. (The largest existing military transport plane carries only about 250,000 pounds.) It would be designed to hold 40-foot containers, approximately 30,000 pounds each, or about triple the capacity of a converted Boeing 747.

The Husky was designed as a smaller plane, with a payload of about 285,000 pounds, which would be more economical than a Spanloader-sized aircraft. It is essentially a box-shaped plane that would not require expensive and sophisticated pressure or temperature controls, since it would not carry any passengers, and would have a cruising speed of only about 485 miles per hour. Although it has been estimated that 75-100 cars could be loaded into a Husky, the further possibilities for this kind of efficient turbo-prop plane include delivery of capital goods, food, and other materials to areas where surface transport infrastructure does not yet exist. Thus the developing countries, which need tremendous inputs of capital equipment to begin industrialization and have no ready rail or truck facilities, would have immediate use for a Husky-style air cargo operation; the plane could be linked to existing ports and used to carry materials inland.

As it became clear that the development of air cargo freight on a greatly expanded commercial level was necessary both for the financial health of the industry and for any projected increases in world trade, the U.S. Department of Transportation became involved in a joint effort with industry and the Department of Defense in a program designated Intact — Intermodal Air Cargo Test — to test the feasibility of making air freight compatible with already operating containerized transport in rail, truck and shipping. At Intact's second planning meeting in May 1974, the Department of Transportation concurred with industry that transport freight capacity would have to triple by 1990, and that air would become an important area of expansion. At that meeting, the decision was made to rent a C-5 military cargo plane, load it with standard ship containers weighing 55,000 pounds, and test and evaluate the handling equipment needed for a commercial air-container setup. Various companies lent their equipment for the test, which was conducted the following year and proved successful.

Cutting the Red Tape

In the mid-1960s, when transcontinental communication was expanding rapidly and the first Early Bird satellite was put in to use, representatives of the transportation industry began to examine the problems of simplifying and facilitating the torrents of paperwork involved in both domestic and international transport. In 1967 over 250 representatives of the trucking, rail, shipping, air, and subsidiary industries formed the National Committee on International Trade Documentation (NCITD) to study the problems and make recommendations to standardize international trade documentation procedures. A year later the Transportation Data Coordinating committee (TDCC) initiated a series of studies to answer the same kinds of questions for data coordination and standardization on a domestic scale.

At that time the Office of Facilitation at the Department of Transportation, under the guidance and initiation of Robert Redding and with contributions from other Department transport professionals like John Norris, joined the industry organizations in Project CARDIS — Cargo Data Interchange System. The ultimate goal of the program was to develop a common language data base system which would cut the cost of international paperwork in commerce in half, from the current \$8 billion to less than \$4 billion. This would require the translation of information in dozens of languages, currencies, and tariff rates into a standard computer code accessible to computer terminals in every participating country.

With financial and moral support from the Department of Transportation, TDCC had completed Phase V and by 1976 had produced a 430-page Standard Commodity Description and Coding System. This established a comprehensive master listing in machine-readable codes coherent with the various internationally established codes, which TDCC expected the Department of Transportation would publish as a thesaurus of commodity descriptions. TDCC is now working on the other aspects of transport paperwork — billing, payment, tracing, and intermodal communication in general — and has recently completed an airport coding study for the Department of Transportation which will be part of a proposal for a world-

wide coding system.

With the CARDIS program both TDCC and NCITD have constructed the framework for data base standardization, and have entered the electronic data processing stage of the project, which requires evaluation of various systems designs and the most applicable hard-and software in computer operations. As part of this evaluation, the method of data transmission must be chosen for recommendation, which could be telex, telephone cable, or satellite. The COMSAT-INTELSAT commercial satellite system holds the most interesting possibilities for such an international system since, unlike the undersea cables, even the satellites now in use have many free transmission channels. There are currently 80 countries with earth stations that are linked to the INTELSAT network, and the impressive speed of satellite transmission could become an important added advantage as trade increases in volume and geographic distribution.

The farther-reaching potential application of a global computer data base would be to coordinate *all* international shipments. If the world economy were conceptualized as one network, similar to the way domestic transport is viewed in the centrally planned economies, utilization of the world's already existing capacity would be greatly increased. By utilizing a worldwide chart of commodity flows, ships that are now "deadheading" — traveling empty — 20 to 50 percent of the time could be put into almost continuous use, with a resulting increase of 30 percent of world shipping capacity by this step alone.

Taking advantage of an approximately global conception of transport, the Japanese have developed a triangular shipping system which has reduced ships in ballast by 50 percent. The transportation cost of importing raw materials to Japan was reduced by 70 percent in some cases by extending the number of miles traveled but by keeping the ship filled to near-capacity at almost all times. The Japanese have accomplished this by conceiving of their shipping capacity as servicing a world transport network, not just Japan's domestic needs.

The application of such principles to U.S. transport, using advanced computer technologies, could have dramatic immediate results. With a computerized analysis of world trade, the most outdated and obsolete vehicles of all modes of transport could be eliminated, and all movement of goods could be consolidated and rationalized. The gains would be enormous.

Teamster Support

A third aspect of Starport is the requirement for large-scale rationalization of the trucking industry. In contrast to the tunnel vision of some transport union, International Brotherhood of Teamsters has forcefully supported proposals for a large network of inland Transportation Facilitation Centers. As reported in *Handling and Shipping* magazine of April 1976, Teamster representative Mel Nensel, Local 515 Chattanooga, told a University of Tennessee urban freight workshop that a major concern of his union was the health of the trucking industry. Although the Transportation Facilitation Centers propose to centralize and rationalize the shipment of small (under 1,000 pounds) packages, which could initially eliminate some Teamster jobs, Nensel, speaking

for the IBT national leadership, answered this objection by describing the poor current financial state of the industry. "For many carriers," he said, "the margin of profit potential from TFC-coordinated operations may be the *only* profit in years to come."

Support from the Teamsters was critical ammunition against the industry representatives who assume that the labor movement would resist any technological change. Then, as now, the Teamsters' role had the potential to galvanize and take leadership in a national fight for growth.

In sum, the basis for Starport was well laid. The international data base was ready, detailed designs for various air cargo freight systems were prepared, representatives of a potentially powerful array of political array of political forces were behind the plan. Why then weren't a series of U.S. Starports gotten underway, at least one on each of the East, West, and Gulf coasts, as models for Starports around the world?

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Rockefeller's Answer

There are two basic reasons why the Starport conception has not yet been realized. Both are eminently political.

First is the inherent anarchism of a capitalist transport system made up of hundreds of carriers, each dealing individually with hundreds of individual customers. In order to bring national and international coherence to such a situation there must be a centralizing force, working in cooperation with industry and labor, which has the responsibility to evaluate and organize improvements in overall productivity of transportation. Because transportation is a capital-intensive proposition, this centralizing force must also be in a position to help finance demonstration projects to test the economic feasibility of programs and make long-term, low-interest credit available in coordination with an overall national investment policy. In other words, to build Starports we need the institutions broadly defined by the Third National Bank.

The Starport project's problems did not stem primarily from the clumsy "invisible hand" of capitalism, however, but the deliberate machinations of lower Manhattan. With the beginning of Wall Street's Watergate offensive in 1972 against both the Nixon Administration and Southwest industrialist strata significantly independent of Rockefeller control, those government spokesmen who had played leading roles in programs to revolutionize transport and had been the link between industry and labor for such programs found themselves under attack, directly and indirectly. As Nelson Rockefeller and his employees — Kissinger, Schlesinger, Levi and the rest — slid into the government, pro-development industry and labor forces, includ-

ing Hughes, Lockheed, and the Teamsters, came under the gun, and self-preservation became more immediately important than the best-laid plans for the future.

As part of the same operation, individuals who were directly involved with Starport were singled out for attack. For example Gordon Novel, one of the most active promoters of the Starport project, was subjected to heavy legal harassment. Novel had been both a leading organizer for Starport and the promoter of the most far-reaching idea of what Starport should be. Almost all of the studies done or supported by the Department of Transportation dealt only with fragmented aspects of what Starport would pull together as a whole. Novel's conception for Starport, on the other hand, was for an international network of computer-linked port facilities, intermodally tied to the inland transport network in any particular country, and most importantly, completely *globally integrated*.

This idea, very similar to the perspective advanced by the U.S. Labor Party in its policy statements on transportation, has the potential to coalesce an impressive coalition of organized labor and industry for economic growth. But in 1973, when the Rockefeller banks and oil interests were in the midst of destroying an American President and pulling off the Great Oil Hoax following the Mideast war, *all* potential opposition to the monetarists' domestic and international looting schemes had to be squashed. One of the victims was Starport — the work of the Department of Transportation and Starport plans were put in mothballs.

After it had showed the ready feasibility of integrating air cargo transport into an intermodal network, the Intact program was ended. The program has now come under the jurisdiction of the National Aeronautics and Space Agency which is considering various designs for a Cargo Logistics System (CLASS). However, a

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spokesman for the NASA program has reported that their studies will focus on a "market evaluation" for air cargo freight which will take another nine months, but that without significant financial input from the government the industry would never be able to bear the tremendous cost of designing and building a new aircraft. Representatives from Lockheed, who had worked closely with the Department of Transportation over the last few years on the Intact program, have little hope the program will bear fruit under NASA, since the Department of Transportation's participation had been critical in interest and expertise.

The CARDIS program for data interchange, after having produced (through the grants to TDCC and NCITD) the basis for a readily accessible program, has

been "put on ice," according to the Department of Transportation. TDCC has finished the work under its current grant and is pessimistic about further funding. Without the government-sponsored program to centralize and analyze the global requirements for a computerized data base, there is no likelihood it will ever come into being.

Department of "Is This Trip Necessary?"

The destruction of the Starport project and even less ambitious facilitation projects begun by the Department of Transportation and facets of the transport industry is most dramatically evidenced in what has happened to the Department of transportation itself. In 1975 the Department announced a change in policy. All Research and Development and work on new transport technologies was scrapped, and only work that was immediately "cost effective" would be funded. The resulting demoralization in the Department led many of the transport professionals to leave their posts. A major reason for the death of the Intact program was the resignation of the Undersecretary of Transportation.

This process of disintegration has culminated in the Department's current state of unbridled paranoia. Since the swearing-in of Brock Adams, a member of the Rockefellers' Trilateral Commission, as Secretary of Transportation, the Department's work has been com-

pletely put under wraps. Recognizing that a "conservationist" Transportation Secretary is akin to having an undertaker as Secretary of Health, Education, and Welfare, many of the best qualified and most experienced transport experts have left the Department. People like Robert Redding who had been the initiators of the Department's most ambitious programs and had decided to stay and make the best of a bad situation were fired. Secretary Adams has issued strict instructions that *none* of the Department's business be discussed with the press or any "outsiders," a dictum that, as the *Washington Star* noted, accurately indicates the sincerity the Carter Administration's cries of "open government." The handful of competent transport professionals still left in the Department, will undoubtedly soon be driven out as Carter's transport policies continue to unfold.

An immediate task of the Third National Bank will be to clean up this environment of conscious sabotage so that the work that has already been done in transport, including Starport, can finally be brought to realization. It is all too clear that the Carter alternative will be a return to the good old days of the horse, the ox, and bare feet.

— *Marsha Freeman*