

**Ask the Rambler:  
Did the Highway Lobby Stop Congress from Funding  
Transit Instead of the Interstate System in 1956?**

If you've read an anti-sprawl book, you've read the horror story: the evil Highway Lobby (motto: Let's Pave Over America) tricked Congress in 1956 into building Interstate highways instead of providing aid to transit as Congress otherwise would have done—thereby forcing people who longed for transit to buy cars instead.

The question is: was Congress tricked?

During World War II, transit boomed at a time of civilian shortages of gasoline and rubber. After the war, people returned to their cars. The highway people planning the Interstate System expected transit to remain a vitally important element of urban transportation. Commissioner of Public Roads Thomas H. MacDonald, who headed BPR from 1919 to 1953, made this relationship clear in a 1947 speech on “The Progress of the National Highway Program” delivered to AASHO's annual meeting:

[In] the foreseeable future, it is certain that this country will continue to require the movement of persons and commodities by highway, rail, water, and air. The time has arrived when we must broaden the scope of our outlook and studies to the end that the best possible service can be rendered by all forms of transportation, in the public interest.

Although highway transportation would remain “the common denominator in the over-all transportation field,” MacDonald encouraged the State highway officials to “invite the active participation of the other transportation industries in the formulation of plans for future development” to establish “an efficient transportation system adequate for its commerce and the national defense.”

Except for the period of World War II, he pointed out, transit volumes had been declining since the 1920s:

In a large and unfortunately increasing measure, the great tidal movements are inefficiently accomplished in private motor cars. In large but undesirably decreasing part, they are served by mass transit facilities . . . . As we approach the problem of arterial improvement in the cities, we cannot fail to recognize the vastly larger element of mass transit [compared with rural roads] in the urban passenger movement. We shall have to learn to think of mass transit as highway traffic, and as a form of highway traffic especially in need of improvement. Whatever we can do to promote the patronage of mass transit and reverse the past trend toward the preferential use of private automobiles will be a contribution of great benefit in the solution of urban traffic problems. Unless this reversal can be accomplished, indeed, the traffic problems of the larger cities may become well nigh insoluble. We will make this highly desirable contribution only if, in the planning of our urban arterial improvements, we incorporate the special provisions

that are needed for the service of express mass transit in its several appropriate forms.

As he knew, the American Transit Association (ATA) and the American Institute of Planners had endorsed urban freeways, provided they accommodated transit by including such facilities as special turnouts and platforms for buses, exclusive bus lanes, and room for rapid transit in the median strip.

Through the mid-1950s, transit was provided throughout the country mainly by private companies. With ridership declining, many companies were financially strapped. Despite pressure from local officials, the companies were cutting unprofitable lines, putting off maintenance, raising fares—and moving in a downward spiral. Many were still profitable in the mid-1950s, but bankruptcy was in their future.

Despite these problems, no one in 1955-1956 thought the Federal Government should subsidize provide transit companies. During the critical years of the mid-1950's, ATA did not press the accommodations concept in its work on Capitol Hill while the Interstate Highway Program was under consideration. Instead, ATA sought an exemption for transit operations from the highway user tax increases being considered. As Professor Gary T. Schwartz put it in his insightful essay on urban Interstate freeways:

Having virtually originated the special facilities idea in its 1944 congressional testimony, why did it let the idea lie dormant during 1954-56? A sufficient reason is that during this period the ATA was strongly supporting another legislative proposal, the logic of which effectively prevented it from also making the special facilities argument. This ATA proposal was that transit operators be exempted from the highway-user tax increases which the highway legislation anticipated. Given its keen interest in its tax exemption proposal, the ATA was obviously disabled from also arguing that the Interstate program should incur special expenses for the sake of public transit. Indeed, the strategy of the exemption issue further required the ATA to downplay the extent to which public transit vehicles, even absent special facilities, would find occasion to travel on federally aided urban highways in general and the urban Interstates in particular. [Schwartz, Gary T., "Urban Interstates and the Interstate System," *Southern California Law Review*, pages 494-498]

In testimony before the House Ways and Means Committee on February 20, 1956, ATA Executive Vice President George W. Anderson said:

The people I represent here are basically nonusers of the highways. Certainly, they do not use the contemplated system of interstate and defense highways, and, in fact, they use any Federal-aid highway to a very limited extent.

When they do, it is purely coincidental to their operations, which are mainly over city streets. We are taking no position with respect to this measure. We are extremely grateful for the fact that in its present form, it contains an exemption covering certain transit operations. [Highway Revenue Act of 1956, Hearings before the Committee on

Ways and Means, U.S. House of Representatives, on H.R. 9075, 84<sup>th</sup> Congress, 2<sup>nd</sup> Session, February 1956, pages 420-428; Mr. Anderson provided similar testimony in May: Highway Revenue Act, Hearings before the Committee on Finance, United States Senate, on H.R. 10660, 84<sup>th</sup> Congress, 2<sup>nd</sup> Session, May 1956, pages 151-155]

The transit exemption survived the congressional debates, so ATA got what it asked for.

Even if ATA had sought Federal subsidies for mass transit, it would have faced defeat. Schwartz explained:

If the 1956 Act is faulted because it failed to provide funding for public transportation, the truth is that in both 1944 and 1956 a general federal subsidy for public transportation was not a politically available option. Many of the reasons for this are policy-neutral. The public transit industry earned high profits during World War II and nationwide was still in the black (although only slightly) in 1955-56. Public transit subsidies were controversial and unpopular at the local level, let alone at the federal . . . . Moreover, until the breakthroughs of the mid-1960's, Congress remained extremely wary of deeply involving the federal government in affairs which were "purely urban."

When transit companies went bankrupt, cities often took over the companies as a public service. The cities, however, found that, like the companies, they could not pay for the service from the farebox. By the late 1950s and early 1960's, they began looking to the State and Federal governments for financial help. With the nature of transit changing from a private business to a public service, President John F. Kennedy initiated Federal-aid to urban transit, with the aid tied to urban renewal efforts in the Federal housing agency, not to BPR, the highway agency in the Department of Commerce. The program that nobody was thinking about in 1955-1956 expanded under Presidents Lyndon B. Johnson and Richard M. Nixon, shifted to the Department of Transportation, and remains a vital part of Federal transportation programs.

The Rambler humbly (for him) suggests that before writing about this era, anti-sprawl authors might want to read about the 1950s, an era when the American people loved automobiles, the newer and bigger the better. They loved vacation road trips and the mobility the automobile gave them in their daily lives. They eagerly awaited their first glimpses of the new car models each fall. By the mid-1950s, they longed for the promised freeways that President Eisenhower and Members of Congress were certain they would be applauded for making possible.

And you don't have to take the word of The Rambler, who may be a little biased. Here's what Professor George M. Smerk, who has studied transit his entire career, wrote about the 1950s:

Virtually no thought was given to investment by government in transit; after all, except in a very few places, it was a private enterprise responsibility . . . . The transit industry was practically invisible at the time. There were no parades of shiny new streetcars, no majestic traction barons [of an earlier era] to damn as they wove their syndicates and collected hundreds of millions of nickels. Only Mike Quill, the feisty leader of the Transportation Workers Union, had national recognition, and this was of a largely

negative nature. Moreover, the industry did keep going; there was no crisis, and without a crisis, the U.S. government is unlikely to act.

Even if a sharp and notable crisis was lacking, transit was not a happy place to be in the 1950s because of the constant erosion of ridership. Management's natural reaction was to enter a cycle of service cutbacks and fare increases which further discouraged riders and ridership. Eventually, the process came to feed on itself. Many smaller cities lost service entirely, and transit service was becoming lackluster in medium-sized cities . . . .

Railroad commuter services were often provided by cars that had been built in the World War I era, or even earlier. The railroads could not be blamed because there was no profit to be found for the privately owned railroads that operated all the commuter roads . . . .

But the transit industry as a whole stayed at least marginally profitable until the mid-1960s; it was a last hurrah, and probably specious at that. It is not an unfair statement to say that the "profits" of the transit industry, however marginal they may have been in some places, were due in part to a failure to maintain fixed plant and equipment adequately . . . .

In retrospective terms of what would have been best for transit and its users, the early 1950s would have been the ideal time for public investment in transit. Ridership was still very high by the standards of the decades that followed. Good equipment and good service at reasonable prices might have helped to hold on to many riders so that, even if publicly owned, a significant portion of operating and capital costs could have been paid from the farebox. But the industry and the cities served were not interested in public ownership; the rubric of private enterprise prevailed. The market showed the way; if people did not use transit it was because it was not needed. [Smerk, George M., *The Federal Role in Urban Mass Transportation*, Indiana University Press, 1991, p. 47-48]

Perhaps the Interstate System was a terrible idea. Perhaps the country shouldn't have built it. Perhaps it destroyed our cities, ruined passenger rail, killed transit, polluted our air, drained our oil fields, and supported sprawl not only into the suburbs but the exurbs. Perhaps. But it is simply not true that the Highway Lobby tricked Congress into applying highway user revenue or revenue from any other source to construction of the Interstate System instead of transit.

Or to put it differently: the fact that Federal-aid to transit began in the 1960s doesn't mean it could just as easily have begun in 1956.