An Institutional Case Study Reflecting Catholic Social Thought: Transport Industries

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This paper offers a concrete example how subsidiarity and solidarity can both be advanced together in political and economic strategies. The de facto case study deals with the intersection between privately owned transport industries engaged in global trade (e.g., national railroads, transoceanic shipping lines) and local, state and federal agencies attentive to the national economy and responsible for public investments and safety regulations. The model features a broad roundtable element together with other overlapping but more focused initiatives to implement identified action packages. Ten adaptable and transferable lessons are identified.

Joseph Varacalli’s review in the pages of this journal of Prof. Stephen Krason’s Transformation of the American Democratic Republic (2012) concludes that “The membership of the Society of Catholic Social Scientists is particularly well suited to take up this call for scholarship that is interdisciplinary, competently executed, ethically informed, and led by the principles of the natural law and Catholic social thought” (Varacalli 2013: 12). He refers to Michels’s “iron law of oligarchy” and to “goal displacement” (or more commonly, bracket creep).

THE QUESTION REFORMULATED

How are principled citizens to deal not with a single bureaucracy, but with clusters of such pyramids? Is there a formula for ventilating these pyramids with crosswalks and windows in greater service to the common good? Following is a modest but concrete case study at least marginally relevant to Varacalli’s central purpose—the restoration of “substantive” morality to bureaucracy. While this example does not deal directly with academic disciplines, it does model improved dynamics among multiple bureaucracies. One day at a time “bubble” office cultures can transcend themselves and each other. Knowledge is power, but surely participation and discovery of reasons for trust can open doors to being “ethically informed” and to the “natural law.”

The general problem facing this de facto case study is the logistics of international trade, as handled by a broad mix of (people working in) regu-
Subsidiarity rests partly in the fact that the transportation carriers—long- and short-haul trucking firms, continental railroads, air cargo planes, and transoceanic shipping—were federally *deregulated* in the 1970s and 1980s, mostly under the Reagan administration, (e.g., the railroad Staggers Act of 1980). On the government side we find much-reduced roles (mostly public safety) for the federal agencies with respect to each transport mode: air, rail, trucking, and marine travel (federal administrations for aviation, railroads, highways and mass transit, and maritime, and now the Department of Homeland Security). Exceptions include the publicly-owned and financed federal freeway and state highway systems, the federal air traffic controllers, and Amtrak. At the state level, the department of transportation has also been a key actor.

Today the deregulated private modal carriers are market-driven in deciding routes, rates, and schedules, and are globally interconnected—due equally to new technologies such as global positioning systems (GPS) and ever larger ships and double-stack rail cars for shipping containers. One early outcome of rail route optimization and cost-cutting was retirement of one-third of all rail mileage in the United States (coinciding with completion of the alternative and publicly financed federal highway system). But today, the permanent surge in international rail container traffic calls for new rail capacity including, for example, the reopening of a third east-west route from the Washington state marine ports (a public-private hybrid). This was one of the first issues sorted out by the Roundtable and addressed by an overlapping working group: the FAST Corridor team (Freight Action Strategy; see below).

Maritime shipping containers (the standard unit measures 8'x 8' x 20', but most containers are actually 40') are analogous to moveable type in the Gutenberg era. Thus, the global “freight story” is partly about Asian imports and exports, for example, moving in standardized containers by transoceanic ships to/from West Coast ports, then if eastbound the same containers are transferred at marine ports to double-stack trains up to a mile and a half long for shipment across the Rockies, mostly into/through the Chicago hub. Some are loaded onto trucks for local delivery and oth-
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erers continue on to Europe through East Coast ports. Globally, supply chain and trade routes run in all directions and are constantly reconfigured by such actions as the distant and recent enlargement of the Panama Canal. East Coast ports are now in competition with West Coast ports over how best to serve inland destinations.

**SOLIDARITY?**

From its beginning in 1994, public and private actors were mutually convened at a *Regional Freight Mobility Roundtable* to talk “the freight story” in the Pacific Northwest region as this ties to the rest of the nation, and then from the ground up to invent specific actions as noted above. Shippers also came to the table, such as the Boeing Company, Safeway, and other local firms, as well as some private foundations and institutes. The need was for vertical separations where surface rail lines leading from the Pacific Rim marine ports (the gateway ports of Seattle and Tacoma, etc.) intersect with major roadways in congested urban centers.

The *consultative* public-private Roundtable was clearly delineated from an overlapping group of *coordinative* public local, state, and federal agencies accountable for public investments. Public money is selectively available for a narrow range of needs within the predominantly private sector world of freight transport. An initial package of highway overpasses and underpasses (at prioritized railroad intersections) was identified and proposed for local sponsorships and joint funding. Phase I was a *federated* funding effort rather than a typical product of federal grantsmanship totaling up to a system of ten separately sponsored partnerships with a combined cost of about $400 million. In local and state forums and before Congressional committees and working groups, each roundtable partner spoke for the total program as well as his own project.

**INSTITUTIONAL ARCHITECTURE**

Again, this effort clearly distinguished between “consultation” with the diverse private sector parties (the Roundtable) and public funding “coordination” among government agencies responsible for the narrower use of public funds, to which the ports and the private railroads—the Union Pacific and Burlington Northern Santa Fe—also selectively contributed. From the technical angle, the (engineering) calculation of benefits and costs (requiring a public benefit/cost ratio of more than unity) is especially obscure when the beneficiaries are indistinct. Who benefits and how much from an improved rail system in Seattle that benefits local commuter traffic when the container trains departing the ports are simply passing through the Pacific gateway to Wal-Mart stores for shoppers in Chicago.
and its suburbs? The willingness of multiple sponsors in the region to contribute from their (to be aligned) budgets becomes one practical measure of project worth.

Is all of this simply another formula for spin-cycle meetings? Or are there at least some lessons that are adaptable to/from academia and especially transferable to other settings in the world of politics and economics? At a fundamental level, an underlying liberal education resuscitates the much-needed imagination. In its final recommendations following the treachery of September 11, 2001, the 9/11 Commission made this astonishing finding relevant to mutually exclusive bureaucratic structures: “Imagination is not a gift usually associated with bureaucracies. . . . It is therefore crucial to find a way of routinizing, even bureaucratizing, the exercise of imagination.” (The 9/11 Commission Report, 344).

“Routinized imagination” is an oxymoron from the start, but here are ten rules of thumb:

(1) *Walk the talk.* The Roundtable was co-sponsored and co-staffed by a public sector and a private sector organization (the Puget Sound Regional Council, and the Economic Development Council of Seattle/King County). The FAST Corridor team was also co-sponsored (by the Council and the state department of transportation). Co-sponsorship is a model that protects against unilateral termination of innovations that transcend the routine span-of-control mentality. (In the small worlds of carnivorous bureaucracies paranoid behavior is often justified.)

(2) *Format matters.* This included such touches as holding the scheduled sessions on neutral territory and even sitting in a “roundtable” arrangement with no head of the table.

(3) *Replace letterheads with faces and share the credit.* Flown-in corporate leaders found themselves sitting next to well-informed local staff minions, and vice versa. In this business, even truck drivers and railroad dispatchers know something that others need to know. Sometimes the tail should wag the dog.

(4) *Leadership is where you find it.* When credit is shared, new ideas and people continue to rise to the occasion as needed. Fundamentally, relationships become ends more than means.

(5) *Coming of age.* The defining moment for the Roundtable, as such, came after its first year when the weighty membership declined to endorse to the legislature an unseasoned proposal put forth by prominent attorneys for one of the national railroads at the table. The group discovered itself by declining to be a typical ornament on a political keychain.

(6) *The big picture is one thing, but significant details matter.* Substantively, one of the risks is that of unlearning things that we know, but
that are not true. Very few things are more liberating than a shared “aha” moment. Procedurally, an initial account of pithy outcomes was e-mailed directly to the full contact list on the same day as each Roundtable session.

(7) Resist entropy by continually returning to the bigger picture(s). Bureaucracy subdivides and routinizes; roundtables offer the opportunity at least to breathe. Literally, the bigger picture was made visible by means of a satellite map with overlays of the total transport system, together with a consistent and beckoning label used in all settings (the “Roundtable” and the “FAST Corridor” implementation team: Freight Action STrategy).

(8) Nothing succeeds like success. Bite-sized “action packages” were successful and also served as platforms for cumulative “aha moments” and actions designed to be both freestanding and parts of a range of possible (but not certain) larger solutions. The composition of action package teams, e.g., the FAST Corridor team, depends upon the task at hand.

(9) Alps on Alps arise. Even the big picture is a small picture. How much does common purpose in a regional setting simply present larger dilemmas—e.g., what are the (ethical?) limits to a well-transported system of more or less free trade (with its problematic relocating of family wage jobs “there” rather than here).

(10) Photo ops still trump all of the above. The regional institutional chemistry—not simply another program to be managed—was endorsed in the routine six-year renewal of federal transportation legislation. The roundtable strategy became a template for similar systemic, merit-based, and competitive partnerships across the nation. But after the first round of federal grants in 1999, it quickly degenerated at the federal level into an annual earmarking drill under Congressional committee routines. The original idea of using diminishing federal funds—the now visible federal deficit debate—to assemble federated cost-sharing partnerships was lost on a Congress who insisted that even the minority federal chips should be the final share rather than an absolutely essential catalyst for others.

After twenty years the genuine Roundtable has been housebroken as more of an advisory committee, but it is still a place that aspires to be more. Where the typical bureaucratic pyramid exists to move information up and control down, the roundtable effort moves laterally. The challenge is not how to lead through span of control, but how to lead when you do not have control. On a daily basis this goal is served, finally, by cultivating the four moral virtues of temperance, justice, courage, and very prudential judgment, combined with respected and shared technical competence. One small step in risky and creative engagement began by simply turning attention toward what others do for a living—by “putting a face on freight.”
References
