On May 24 and 25, 1990, state legislators and corporate leaders from Southeastern Pennsylvania met at the Sun Company's Sunbrook Conference Center for the Fifth Annual Southeastern Pennsylvania State Legislators' Conference to discuss education reform and prospects for the regional labor force. Keynote speakers Albert Shanker, National President of the American Federation of Teachers, and William Johnston, Vice President for Special Projects at the Hudson Institute, outlined a series of problems that left conferees deeply concerned about how well city and suburban schools are preparing the youth of today for the jobs of tomorrow and how responsive the new labor force will be to the requirements for future economic growth.

Shanker Keynote: The Case for Radical School Reform

Albert Shanker, a leading proponent of radical school reform, provided compelling evidence that American students are not keeping up with their foreign counterparts in his keynote address. Despite the fact that education reform has been at or near the top of the national agenda for the last seven years, Shanker told his audience that there are only two pieces of "good news" to report. The first is that almost nobody in this country is totally illiterate. The second is that minorities, while still behind, are catching up very fast. If current trends continue, the gap between average white and non-white test scores in reading and mathematics, which has been reduced by half over the last two decades, will be eliminated over the next twenty years.

All the rest of the news was bad. Shanker was decidedly critical of the job that American schools are doing to prepare their graduates for further education and future employment opportunities. Shanker posed the question, "How many students who are successfully graduating high school are truly performing in the top levels of achievement?" The answer, according to the National Assessment of Educational Progress (NAEP), is surprisingly few. Only a fraction of American high school students and graduates can read or write proficiently or are comfortable with the math and science concepts that will be needed to function adequately in the 21st century economy. For example, only 20 percent of high school graduates are able to write a one or two paragraph letter that contains a single persuasive idea. Less than 10 percent can correctly complete a two-step arithmetic problem.

Shanker emphasized that the NAEP measures the achievements of seventeen year olds still attending school; it does not test those who have dropped out of the system. Presumably, average reading and math scores would be even lower if dropouts were included in the sample. As a result, the NAEP report card is probably overly optimistic.
and most likely describes the upper limit of what this nation's seventeen year olds know and can do.

Moreover, the NAEP tests students from all types of school settings -- urban, suburban and rural. These results challenge the widespread belief that the problems with the nation's schools are confined to big city school districts. To the contrary, Shanker stressed that, "The first thing that we need to realize is that the problem is not only an urban problem. It is bigger and it is tougher. I am not arguing for neglect of urban areas, but I am here to say that it is not an urban problem alone. We have an American problem and it is part of the richest, wealthiest kids."

Why do so many suburban parents fail to see any symptoms of the problem? Shanker explained that too many people confuse the ability to get into college with the ability to function at levels required to maintain a high standard of living in the information-intensive and highly competitive international economy of the 21st century. Forty years ago only the exceptional individual finished high school and pursued a college degree before entering the work force. Since then, however, high school graduation rates have been rising, and a vast network of colleges and universities has emerged in response to this trend. Although at first glance these trends appear to signal progress, of the approximately 3,600 institutions of higher education in this country, only about 200 can be classified as truly selective. Many observers, including Shanker, believe that higher education in this country has evolved to a point where there is a college or university for every student who can afford tuition, regardless of merit or ability. Despite the fact that high school diplomas and college degrees are no longer the marks of distinction they once were, too many suburban parents continue to judge their schools using these benchmarks.

A more contemporary standard is to compare American seventeen year olds with their foreign counterparts from France, Germany, Great Britain and other developed countries. The Educational Testing Service has compared the performance of students from 20 industrialized nations for a number of years and has found that American students consistently score poorly, ranking 17th in 1983 and 20th in 1988. Even the top 10 percent of American students fell below the average of students in the other 19 nations. One reason may be that, unlike America, most other industrialized nations have established rigorous national standards for students continuing on to higher education. In Germany, for example, no one can attend a university unless they have passed a national examination called the Abitur. The Abitur is five days of essays and writing in history and literature, and problem solving in mathematics, chemistry and physics.

According to Shanker, we can be absolutely certain that anyone who passes the Abitur would certainly be in our top 2 or 3 percent. And 28 percent of the kids in Germany pass that examination. Overall, the percentage of kids in other industrialized countries who pass the examination is 16 percent. France is about 21 percent. So we are essentially producing 3 percent in comparison to 16 to 28 percent or more in other countries at that top level. There are some conclusions you can draw from this. For example, you can conclude that practically every kid that gets into a college or university
in Germany meets the standards for Harvard, Princeton, Stanford or other elite institutions in the United States. Another conclusion you can draw is that 95 percent of kids who go to college in the United States would not be admitted to a college or university anywhere else in the industrial world.

These international comparisons offer persuasive evidence that American students are not keeping pace, and that this system-wide failure is perpetuated by the way schools are structured and teachers are trained. Schools designed to assimilate millions of immigrants and farmers, shape their attitudes and behavior, and introduce them to the industrialized discipline required to perform routinized tasks in the factories of the manufacturing economy are no longer adequate for an economy that requires its workers to be adaptable, flexible, quick learners and problem solvers. America must undertake a dramatic overhaul of its educational system in order to adequately prepare the next generation of workers for the jobs of the 21st century. Change at the margins will yield, at best, marginal results.

However, all restructuring efforts must take into consideration one important constraint: the quality and quantity of the American teaching force. Without condemning all teachers, Shanker noted that the limitations of the teaching force reflect the problems inherent in the present educational system.

He explains that in Germany, they can absolutely put a teacher into every classroom who is a crackerjack at language, history, mathematics and science because otherwise the teacher would have never gotten into the university. In the United States, the test which they give prospective mathematics teachers is a sixth grade arithmetic test and the passing score for teachers is the same 65 percent that it would be for the sixth grade kids. Thirty to forty percent of the prospective teachers fail the examination. Some of them are hired anyway, but even when they stick to the standard many of them are hired because they passed -- they got 65 percent. There is no other industrialized country in the world that has this problem.

In light of this reality, Shanker advocated revamping the teaching force and reorganizing the classroom. He envisions individual schools led by highly paid National Board certified teachers. They would be assisted by state and locally certified teachers, teachers in training, teacher’s aides, para-professionals, parents and college student interns. Lesson plans would move beyond passive, lecture-note taking formats towards more participatory modes of learning. Audiotapes, videotapes and computer programs -- developed and distributed by educators -- would, by design, promote the concept of learning by doing.

Recognizing that the specifics of school reform must be hammered out by the parties most directly affected, Shanker did not attempt to prescribe a detailed program for Pennsylvania. Instead, he outlined four principles to guide the reform process:
Set a limited number of goals. If too many goals are on the list, none of them will be achieved. The goal-setting process should include the major stakeholders in the education system -- parents, teachers, unions and the business community.

Find ways of measuring progress toward these goals. One reason that American students cannot write is that multiple-choice tests cannot measure writing ability. Alternative forms of evaluation must be developed to measure the relevant educational outcomes. These tools are the essence of any program that aims to reward success and penalize failure.

Remove as many regulations as possible. Shanker recommended that only health, safety and civil rights regulations should be imposed on local schools from above. Other types of regulations should be removed so as to create an environment for locally-based innovation and creative problem solving.

Devis e a system of incentives for change and hold local schools accountable for results. Absent incentives to invent alternatives and take risks, the present system will simply recreate itself. However, by rewarding schools that demonstrate real progress toward agreed upon, measurable outcomes (and simultaneously penalizing schools that fail to demonstrate progress), schools have an incentive to experiment and a vested interest in improving educational outcomes. Shanker emphasized that incentives should be structured to reward net improvements, (e.g., a 5 percent increase in the graduation rate), rather than establish benchmarks already achieved by some schools but beyond the reach of most others.

Shanker's diagnosis calls for radical reform of the nation's schools, not incremental change at the margins. This prescription is now advocated by an increasing number of stakeholders in the system. While noting the growing momentum for educational reform, Shanker concluded, "There will be no band of angels that will transform our schools. We had better perform that miracle ourselves because nobody will do it for us."

Johnston Keynote: Workforce 2000

William Johnston, author of the Hudson Institute's influential report Workforce 2000, provided another justification for radical school reform, this one grounded in economic realities. Johnston argued that Southeastern Pennsylvania, like the nation as a whole, is undergoing an economic transformation from an industrial-based to a service-based economy. This society-wide shift is not only changing the kind of jobs available, but is also raising the basic skill and education requirements needed to perform most jobs. According to Johnston's estimates, about 30 percent of all jobs will require a college degree in the year 2000 (compared with 22 percent in 1985). Most jobs will require at least some post-secondary technical or vocational training.

The most significant concern is with a mismatch of alarming proportions between the rigorous educational requirements demanded by jobs in the new economy and the limited human capital of new entrants to the work force. This mismatch jeopardizes the ability of employers to find qualified workers to fill available jobs and, on a larger level, seriously threatens the country's ability to compete in the global marketplace against countries with better prepared labor.
According to Johnston, the emerging human capital mismatch will not be limited to a few isolated occupations, but rather will affect a wide range of job classifications at both ends of the employment spectrum. At one extreme, Johnston predicts a serious oversupply of low-skilled workers in the labor force as 78 percent of the nation's new workers will have limited verbal and writing skills suitable for only 40 percent of all new jobs. This glut of low-skilled workers can be expected to depress wages and limit employment opportunities for persons who lack the basic education and learning skills needed to retool and retrain.

At the other end of the employment spectrum, Johnston anticipates a severe shortage of highly-trained workers. Owing in part to new technologies which make vast arrays of information available at a previously unthinkable rate, many jobs are growing increasingly complex. This so-called information explosion will undoubtedly accelerate into the 21st century. However, Johnston estimates that only 5 percent of new employees will have the necessary skills -- including an ability to read journals and manuals, write reports and understand complex terminology -- to fill these high-skilled jobs, projected to be 40 percent of all new jobs created. Workers with the appropriate training and, most importantly, an ability to adapt to new developments and master new technologies will be in demand. Yet as available job openings outstrip the number of qualified applicants, the quality of America's labor force will inevitably decline.

Johnston also described several underlying demographic trends that are changing the composition of the work force. The people who will be entering the labor force at the turn of the century are already in school today, and it is possible to extrapolate what the new work force will look like. Johnston concluded that most new entrants to the work force between 1984 and the year 2000 will be women, non-whites and immigrants. White males, who now constitute 46 percent of the labor force, will be only 15 percent of all new entrants.

Changing birth rates will also influence the size and composition of the labor force. Johnston noted that the "baby boom" was an atypical period in America and that the current "birth dearth" is closer to the norm. On average, American women are having fewer children and are starting their families at an older age. Consequently, population will grow at only one-third the rate it did in the 1950s and the labor force will grow at only one-third the rate it did in the 1970s. There will be fewer young workers, and the average age of the work force will continue to increase. Johnston characterized this trend as the "middle aging of the work force."

How will employers respond to this environment and the anticipated mismatch of jobs and workers? Johnston outlined a number of ways that businesses will compete for competency in the coming years. These include bidding up wages for scarce, skilled workers and, in an effort to reduce turnover, improving working conditions. Employers can also be expected to intensify recruitment efforts and to turn to non-traditional sources of labor to fill job openings. To some extent, businesses will attempt to perform the job of primary and secondary schools, providing remedial training for its entry level workers who can not read or write at a satisfactory level. However, these efforts are expensive
and risky in an era of high job turnover. Where possible, employers will attempt to circumvent labor problems by substituting capital for labor, importing workers or exporting jobs overseas.

Johnston concluded his remarks by endorsing Shanker's call for radical reform of the nation's schools. He reiterated the need to set goals, measure progress towards those goals, and reward success and penalize failure. While the business community is a natural ally of the education reform movement, Johnston cautioned not to expect employers to carry the mantle alone. Employers will feel the brunt of the deficiencies in our schools, as new workers prove unable to perform the increasingly information-oriented jobs of the 21st century. However, with or without education reform, businesses will do whatever is necessary to remain profitable, even if this means exporting jobs and importing workers.

**Small Group Sessions**

With Shanker's and Johnston's remarks in mind, legislators and corporate leaders convened in small group sessions for discussion. The 1990 Conference differed from past sessions in that rather than debate the specifics of pending legislation, the small groups were asked to identify the most significant issues among the many raised, determine the next steps for state legislature and corporate leaders to take, and suggest topics for follow up research and possible future seminars.

The small group sessions provided a unique opportunity for legislators, corporate leaders and other resource persons expert in the areas of education reform and labor force issues to have a face-to-face discussion about the prospects for the Southeastern Pennsylvanian region. No two groups identified precisely the same problems or proposed identical policy remedies. However, based on the summary reports delivered to the closing plenary session, a number of common themes emerged from the small group discussions.

Most importantly, there was a general consensus that the problems outlined by Shanker and Johnston are real and, absent substantial intervention, will jeopardize the quality of the labor force and the ability of the region to remain competitive in the global economy of the 21st century. Numerous members of the business community corroborated that they are working harder and spending more to hire and retain entry level workers who increasingly require costly remedial training. At present, these symptoms of the underlying problem are most evident in the suburbs and employment centers such as the Route 202 corridor. Employers in these areas emphasized the need for a mobility-based strategy that promotes inter-suburban commuting. Others recognized that family-sensitive policies such as affordable and accessible child care will be essential for recruiting and retaining a qualified work force.

While the emerging labor force problems share a number of complex causes, conferees singled out education as the most important dimension of the problem. In nearly all of the small group discussions, participants reiterated the telling statistics Shanker used in his keynote address to illustrate the state of education in America. Only
20 percent of high school graduates are able to write a one or two paragraph letter which contains a single persuasive idea. Ninety-five percent of the kids who go to college in the United States would not be admitted to a college or university anywhere else in the industrial world. Nearly all of the 28 percent of German students who pass the rigorous Abitur examination would meet the standards for the most elite universities in the United States.

Conferees generally accepted Shanker's proposition that education is not just a city problem. Even the presumably superior suburban schools are currently being judged by the wrong standards. Graduation rates are not measures of distinction if nearly all students graduate.

College acceptance rates are deceiving given that the standard set by the vast majority of American colleges and universities is the ability to pay tuition. Yet these are the criteria that most suburban parents use to measure the success of their children and their school systems. Shanker's remarks clearly caused a number of legislators and corporate leaders to re-evaluate their own beliefs. One legislative leader remarked, "When I came to this Conference, I felt pretty good about our schools and the education my kids were receiving. Now I'm worried."

The prevailing attitude, found in all but the elite American high schools and among the handful of high school students who seek admission to elite colleges and universities, is doing just enough to get by, doing only what is necessary to graduate and enter college. It is this culture of mediocrity rather than an unending drive for excellence that distinguishes American secondary education from its counterparts in other developed nations.

While conferrees shared an appreciation of the problem, they differed in their assessments of what should be done next. Some groups advocated new pilot programs in sample school districts while others insisted that the inadequacies of the present system demand radical reform of the entire school system. Persons who argued that the system should be restructured to "reward success and penalize failure" were challenged by others who questioned whether we genuinely have the political will to exact penalties on the worst off schools. Additionally, there was no consensus on how to approach the special socioeconomic problems faced by large urban school districts.

Overall, however, the areas of agreement overshadowed the areas of controversy. While by no means unanimous, the following general principles emerged from the day-and-a-half Conference.

Proponents of educational reform should begin by setting a limited number of goals. Under the present system, the state establishes requirements for educational inputs, not goals for educational outcomes. Any far reaching reform program must change the emphasis from inputs to outcomes by targeting a limited number of goals and objectives and holding schools accountable for results. The goal setting process should include all of the major stake holders in the system -- legislators, parents, corporate
leaders and members of the educational establishment. Although this process must include many parties, its product should be a limited number of measurable objectives.

Once goals are established, reformers must develop meaningful tests to measure progress and setbacks. A goals statement, no matter how laudable, is of limited value absent the ability to measure results. New forms of measurement that move beyond the standard multiple choice test format are needed to evaluate the effectiveness of reform programs. These evaluation tools must be carefully designed as any reform based on the philosophy of rewarding success and penalizing failure can only be as successful as the vehicle used to gauge success and failure. In order to gain widespread acceptance, test design must account for cultural differences in different populations. Moreover, evaluations must focus on net changes in performance over an agreed upon period of time, so as to help level the playing field for schools facing different sets of obstacles and challenges.

Unnecessary regulations on local schools should be removed. Many conferees were frustrated by the current top-down education bureaucracy that imposes numerous regulations and (often unfunded) mandates on local schools. Shanker encouraged removing all regulations except those governing health, safety and civil rights. The result would be a decentralized system where local schools could tailor programs to best fit the needs of local constituencies. Coupled with proper incentives, deregulation could create an environment that promotes innovation and experimentation.

Incentives are the key motivator for improving educational performance. In his keynote speech, Shanker suggested that American schools have a Soviet-type problem. He explained, "We've got loads of rules and regulations and people are basically paid to show up. A Soviet worker was asked what he thought of the system and he responded, 'Well, they make believe they are paying us and we make believe we are working.'" This theme was reiterated numerous times throughout the Conference as nearly all legislators and corporate leaders shared the belief that teachers, students and administrators will modify their behavior in response to incentives. Although little time was spent discussing specifics, it was noted that money is only one type of incentive and that other more intangible motivators should not be overlooked.

Education reform should hold teachers and administrators accountable for education outcomes. Accountability is a key element of education reform. Even if local school districts are freed from unnecessary regulation and teachers and administrators are given proper incentives to experiment and innovate, real change may not occur unless local schools are held accountable for educational outcomes. Nearly all Conference participants endorsed the concept that superior performance should be rewarded. However, there was no consensus on how to address sub-standard results. While some people argued that a bona fide performance-based reform must penalize failure by taking resources away from non-performing schools, others questioned the efficacy, fairness, and political feasibility of this approach.
Radical reform should include radical reorganization of the classroom. The self-contained classroom characterized by teachers lecturing to note-taking students is no longer the optimal way to organize our schools. Shanker emphasized that most people learn best by doing, not just by sitting still and listening to someone else talk for five or six hours a day. Other conferees stressed the possibilities created by computers, audio and video tapes, expert systems and teleconferencing. No one attempted to dictate exactly how the classroom should be organized. Instead, the prevailing attitude was that local schools should be encouraged to experiment and determine what works best given individual opportunities and constraints. Shanker also noted that staffing requirements must be re-evaluated given the numerical and skill limitations of our teaching force. He explains:

We have 2.5 million teachers in this country. We can't have 2.5 million teachers who all know how to read and write and do mathematics and understand science. We don't have them. If you have self-contained classrooms and put a teacher in each classroom, then you are absolutely guaranteed that you will have some big number of classrooms with people who are sub-caliber in them.

Vocational education programs should be revitalized. Many conferees lamented the prevailing, if unspoken, assumption that the college-preparatory track is more important than vocational education and technical training. Too often students who pursue vocational education are treated less seriously by their teachers and peers. Some people argued that Pennsylvania should move toward a market-driven system such as educational vouchers that lets parents and students choose which school students attend. Under this scenario, schools would have the incentive to specialize and create quality programs to fill "market niches" such as vocational education. Although many people expressed support for the concept of choice and urged that "education be run more like a business," there was no consensus that the advantages of vouchers outweigh its drawbacks.

Education reform is not just a question of throwing more dollars at the problem. No one at the Conference argued that the problem could be solved by a larger appropriation from Harrisburg. Indeed, the prevailing sentiment was that a fundamental - - and many say radical -- reorganization of the educational system is needed in order to adequately educate today's children for the jobs of tomorrow. But who will be the chief advocates for this difficult and many believe controversial effort? At least four major stakeholders in the educational system were identified: parents, the business community, unions and state legislators.

Parents must upgrade their expectations and demand more from schools. Many if not most parents in the region accept the proposition that city schools need help. However, most suburban parents appear complacent and even content with the performance of suburban schools where most students who enter receive diplomas and, as a matter of course, are able to move on to college. In general, parents are unaware of international comparisons which show beyond question that our high school graduates learn only a fraction of what their counterparts from France, Germany, Great Britain and
other industrialized countries master. As long as this "culture of mediocrity" prevails, there is little hope that our schools will improve and even less chance that Pennsylvania will pursue the course of radical school reform.

Business is a major stakeholder and must lobby Harrisburg for education reform. Many businesses are already feeling the effects of the emerging mismatch of jobs and human capital. Although many corporate leaders express frustration at the prospect of teaching elementary reading and arithmetic to its entry-level workers, relatively few individuals from the business community have demonstrated a willingness to push for reform in the public schools. Johnston noted that businesses will be forced to cope one way or another, even if this means exporting jobs or importing workers. Another alternative is for corporate leaders to determine for themselves what they expect from the schools and to make their voices heard in Harrisburg.

Unions must be brought to the table to determine their position vis-à-vis school reform. While few questioned the proposition that teachers' unions are powerful players in the educational establishment, no one could articulate the union position regarding the issues at hand. Many conferees assumed that teachers' unions would automatically resist any reform effort, regardless of its content. Shanker provided a more hopeful perspective, saying, "I think that the people inside the schools can be convinced that they are facing the same kind of thing as the auto manufacturers faced with Japanese competition. It took them a long time and they suffered a lot of losses, but eventually they started engaging in some very good union-management cooperation and started doing some very interesting things." Whether the local leadership of the American Federation of Teachers and Pennsylvania State Education Association ultimately endorse or resist education reform in Pennsylvania remains to be seen, but no plan to overhaul the public schools can be made without considering their potential impact.

State legislators can "motivate" school reform through the budget process. Under the current formula, the state government contributes more than 50 percent toward the cost of basic education in Pennsylvania. The sheer volume of dollars that the state allocates means that state legislators have the power to overhaul the school system. Moreover, legislators have the capacity to rein in the educational bureaucracy and eliminate unproductive state-imposed mandates. By doing so, the General Assembly would be following precedents set in Idaho, Minnesota, Oklahoma and other states that have accepted the challenges posed by comprehensive school reform.

Legislative leadership
One of the strengths of the Southeastern Pennsylvania State Legislators' Conference is the consistent participation of members of the legislative leadership from both sides of the aisle. That participation is most compelling this year because many key positions in both the House and Senate are held by legislators from Southeastern Pennsylvania. Four of these leaders were given an opportunity to respond to the small group summary reports and react to the day-and-a-half Conference: Rep. Robert W. O'Donnell (Speaker of the House), Sen. F. Joseph Loeper (Senate Majority Leader), Rep. Matthew J. Ryan (House
Minority Leader) and Vincent J. Fumo (Minority Chairman of the Senate Appropriations Committee).

These legislators' remarks show that they share the belief that something is fundamentally wrong with the schools and that this failure jeopardizes the quality of the Commonwealth's work force. Although convinced of the depth and scope of the problem, the legislators asked for help framing an appropriate and effective policy response. Noting that they themselves are not experts in the field of education reform, they invited the formation of a coalition to bring proposals for major educational reforms to the General Assembly. One member of the leadership suggested that because education is a statewide problem, the coalition should be organized on a statewide rather than a regional basis and should represent parents and the business community. The leaders cautioned that the coalition should not underestimate the lobbying power of the major teachers' unions. On the whole, however, the leadership appeared concerned about the problems and willing to fight the battles necessary to bring education reform to Pennsylvania provided that the other stakeholders in the system are committed as well.

Update on SEPTA, the Port and the Airport.

After the closing plenary adjourned, conferees attended a working lunch and listened to updates on the transportation issues covered at the 1989 Southeastern Pennsylvania State Legislators' Conference: SEPTA, the Port and the Airport. Louis J. Gambaccini, General Manager and Chief Operations Officer at SEPTA led off with an appraisal of the near- and longer-term financial outlook for SEPTA.

Gambaccini expressed optimism about the prospects for SEPTA's fiscal year 1991 operating and capital budget. The Governor recommended a $68 million subsidy for SEPTA operations and $56 million in capital expenditures. Even assuming this level of funding from the state, SEPTA faces other challenges in the new fiscal year including the Federal government's attempted retreat from its funding obligations, court challenges to its recent fare hike and the need for enabling legislation from the state to permit Philadelphia to enact a half-cent sales tax to pay its local contribution to SEPTA. Despite these hurdles, Gambaccini appeared confident that a "one-year survival budget" could be put in place to keep the system operating while a permanent funding solution is hammered out.

Gambaccini briefly reviewed SEPTA's ten-year, $3.5 billion capital program to rebuild decaying SEPTA infrastructure and allow for the eventual expansion of the system. This program and, consequently, the uninterrupted, safe operation of the SEPTA system requires the commitment of a dedicated revenue source for transit. Gambaccini endorsed Rep. Gordon J. Linton's bill to amend the Pennsylvania State Constitution to allow a portion of gasoline tax revenues to be used for mass transit as one possible example of a dedicated funding base. Because the legislation requires a Constitutional amendment, it must be passed by both houses of the General Assembly in consecutive legislative sessions, signed by the Governor and approved in a public referendum.
Gambaccini stressed that passage of the Linton bill in the current session does not lock Pennsylvania into a policy change, but simply keeps the gas tax option alive. Delay, while easier in the short-term, is more costly in the long run. Los Angeles, which opted to rip up its rail network in favor of auto-based transport decades ago, is now trying to rebuild a fraction of its rail system at many times its original price. In the meantime, Los Angeles' air quality continues to deteriorate and government is forced to impose draconian restrictions on everything from outdoor barbecues to gas powered lawn mowers. "It is time," urged Gambaccini, "for suburban and urban legislators to say no to future gas tax hikes unless some of the monies go to transit."

Father Nicholas J. Rashford, Chairman of the Delaware River Port Authority (DRPA), followed with a straightforward appeal for legislative approval of three pending maritime projects. These include: a $15 million intermodal rail facility at the Greenwich site in Philadelphia, a $15 million economic development and trade center in Camden, NJ, and a land acquisition program to allow for river dredging and channel maintenance purposes.

Although all three projects will bring net benefits to the region, the Greenwich intermodal rail facility offers the most substantial payoff. Rashford noted that although the region's current stronghold is in the bulk commodities market, its future growth potential depends on its ability to unload and distribute container traffic to distant markets. Pennsylvania has the capacity to gain a larger share of traffic, particularly since the state legislature approved retrofitting tunnels and bridges statewide to accommodate double-stack loads. However, absent the intermodal yard, Rashford cautioned, Pennsylvania will serve as little more than a conduit for container traffic initiating from ports in New York and Baltimore.

Rashford emphasized that his is not a plea for state money. Backed by bridge toll revenues, DRPA has adequate bonding capacity to finance the projects without outside assistance. Instead, DRPA needs legislative approval from both the Pennsylvania and New Jersey state legislatures in order to make the three projects a reality.

James C. DeLong, Director of Aviation at the Philadelphia International Airport, concluded the Conference with an upbeat assessment of operations at the airport. First, he noted, air travel is safe. DeLong attributed this to superior airplane design, testing and certification standards. Second, domestic air service to and from Philadelphia is as good or better than anywhere else in the country. This is because Philadelphia serves as the hub for Midway's and US Air's domestic operations. As a result, these carriers schedule frequent flights in and out of Philadelphia to most major destinations. International travelers may soon have expanded departure options from Philadelphia as well. DeLong explained that US Air, Swiss Air and KLM have all applied for permission for daily service to points abroad.

Finally, DeLong described the $250 million capital improvement program underway at Philadelphia International Airport. The new International Terminal, Terminal A, is slated to open in February 1991 and a new garage will open before year-
end. Terminals B, C, D and E are undergoing major renovations, including improvements to electrical and HVAC systems and new restrooms. Preliminary design for a new runway is complete which, when approved by all regulatory agencies, will significantly expand the capacity of the airport. Finally, the project to construct a new terminal, Terminal F, is now in the design stage.

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