

## B O O K S

cruise control and give the wheel a sharp turn. Possessing integrity affords no guarantee that one will act well because it is not the whole of moral excellence but one virtue among many. It does, though, hold a self together.

Carter only occasionally illumines what is distinctive about integrity but, as with my old scoutmaster, the advice he

proffers is sensible and, even where disputable, deserves to be taken seriously. Despite my philosophical qualms, I'm prepared enthusiastically to endorse his entitlement to a merit badge. R

*Contributing Editor Loren E. Lomasky (llomask@opie.bgsu.edu) is a professor of philosophy at Bowling State University.*

## Road Warrior

*By Robert W. Poole Jr.*

**Roads in a Market Economy, by Gabriel Roth, Brookfield, Vt: Ashgate Publishing, 292 pages, \$76.95**

**O**VER THE PAST 30 YEARS, THE FEDERAL government alone has spent some \$79 billion subsidizing mass transit in a vain attempt to get Americans out of their cars. Yet we have more drivers than ever, and those drivers are driving more miles on average. And despite the large sums spent on carpooling propaganda and facilities over the past decade, the fraction of Americans driving alone to work increased from 65 percent in 1980 to 74 percent in 1990, while carpooling, transit use, walking, and bicycling all declined.

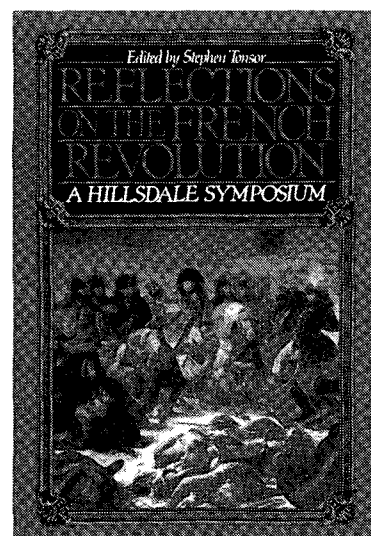
Americans prize personal mobility, but we pretty much take our roads for granted—except when they fail to meet our needs. Unfortunately, they are meeting our needs less and less well. According to the latest tally by the Texas Transportation Institute, Americans wasted \$48 billion in 1992 stuck in urban traffic congestion. Potholes and rough pavements take a toll on our cars and trucks that is likely to get worse instead of better. As cars use less gas, the principal sources of highway funding—federal and state taxes of a fixed amount per gallon—are failing to keep pace with our increased driving and the resulting wear and tear on the roads.

All of which suggests that the time is ripe to fundamentally rethink how we provide roads. Longtime transport economist Gabriel Roth has done just that in this pro-

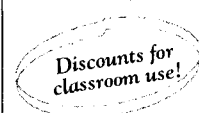
vocative new book, published on both sides of the Atlantic. Roth contrasts the management and operation of highway systems with those of the U.S. telecommunication system. In both cases, users employ their own equipment in a network made available by a variety of interconnected providers. As Roth notes, "Both roads and telecommunications are subject to congestion at specific times and places. However, the telecommunications sector—unlike the roads sector—has learned how to avoid the extremes of congestion and over-investment. It does this by adopting pricing rules and investment criteria developed in market economies to make the best use of scarce resources. In a nutshell: those who provide telecommunications services raise prices at periods of peak demand, and the increased revenues generated thereby attract the required additional investment to expand peak-period capacity."

Roth's premise is that we would have much more user-friendly roads if the road system were set up on commercial principles more like the telecommunications system's. Specifically, this would mean that, like telecom companies, road providers should have owners; be financially self-supporting; be treated the same by government, whether investor-owned or government-owned; receive their revenue directly from users (rather than through

## REFLECTIONS ON THE FRENCH REVOLUTION



**HILLSDALE COLLEGE PRESS**  
by arrangement with Regnery Gateway



160 pp. 35 photos

Visa / MC / Discover  
**1-800-437-2268**

FREE SHIPPING  
\$17.95 hardcover  
\$2.00 off cover price!

For discount information  
(517) 439-1528  
ext. 2319

## Government: America's #1 Growth Industry

How the  
Relentless  
Growth of  
Government is  
Impoverishing  
America

**Stephen Moore**

Published by  
**The Institute for  
Policy Innovation**

"Thorough but concise, easy-to-read overview of just how big and burdensome American government has become."  
—Forbes

96 pp. 80+ charts & graphs  
\$9.95 & \$1.50 postage

Credit card orders call:

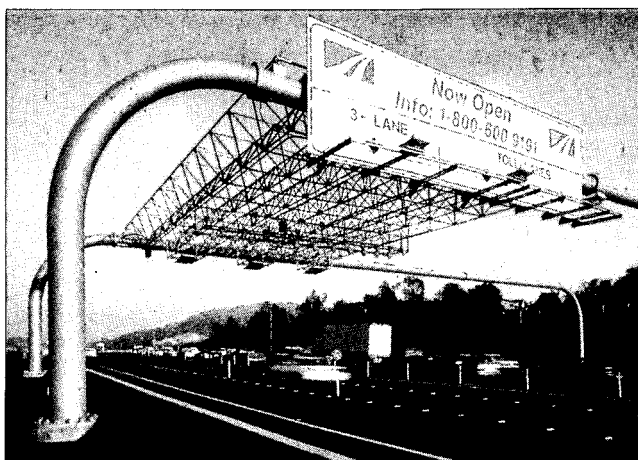
**LAISSEZ FAIRE BOOKS**  
**1-800-326-0996**

the government); and operate to common standards, to make interconnection simpler.

**R**OTH EXPLAINS WHAT WE know about the costs of road use, both direct and indirect (accidents, congestion, pollution, etc.), and how to understand these costs in an economically literate manner. He looks at arguments for and against various ways of pricing road use, including the politically contentious issue of how to charge trucks for the greater wear and tear they impose on most roads. He provides an excellent overview of the rapid growth over the past decade of privately financed toll roads in several dozen countries, including the United States.

Roth also reviews the world's experience to date with direct road pricing and is realistic about the political difficulties of introducing pricing where people have become accustomed to thinking of road use as "free." Road pricing generally means charging road users at the time and place of use—in other words, charging tolls. Singapore is the only major city that has attempted "congestion pricing"—a form of road pricing whose aim is to control traffic congestion. Under Singapore's relatively crude system, drivers wishing to enter the central business district during the morning rush hour must buy and display a sticker on the car's window. Drivers of cars without valid stickers are fined.

Today's electronic toll collection technology makes it possible to charge people in real time. A small electronic tag affixed to the car can be "read" by a radio signal as the car passes a toll collection point at normal speed. Depending on the type of account, the fee is charged either to the user's credit card or to the user's account with the toll company. This system makes it easy to charge prices which vary by time of day, permitting more sophisticated forms of road pricing, including congestion pricing. Such fully electronic congestion pricing is now in use on the (private)



**California's privately run tollroad:** Gabriel Roth gets specific about how we could actually move toward a commercial road system. He contrasts the management and operation of highway systems with those of the U.S. telecommunication system.

91 Express Lanes on the Riverside Freeway in Southern California.

After providing all of this background information, the book's real task is to figure out how to get from where we are now to where Roth thinks we should go. Roth proposes several major reforms to effect this transition. First, states should convert their road systems, on a geographically sensible basis, into user-funded road corporations which, as owners, would have full responsibility for their operation, maintenance, and expansion. Roth envisions a government corporation that would be granted ownership of specific road assets (e.g., all freeways in Los Angeles County) and be fully responsible for operation, maintenance, expansion, and rebuilding (as the roads wear out). The point is to create owners where none really exist today—owners who would obtain revenue from the users (and presumably be held accountable by those users to meet the demand for good service). He envisions those companies operating at arm's length from government, much as do the turnpike authorities that exist in a number of states. Making roads the responsibility of an organization with its own funding sources would make it easier to eventually fully privatize the roads.

Second, Roth recommends that states create dedicated road funds to collect the various road-user charges—some of which might still be gasoline taxes and

registration fees—and disburse funds to the road corporations. The money would no longer leak to general funds for transit or other government operations, as occurs today with our highway "trust funds."

Third, because tolls are practical only on high-traffic routes and are difficult to introduce on existing roads, Roth proposes the use of "shadow tolls"—per-vehicle fees paid by the road funds based on actual traffic counts. Fourth, he urges that there be no discrimination between investor-owned and government-owned road corpora-

tions. Both would have equal access to shadow tolls, and both would be able to charge actual tolls in addition to the shadow tolls, where congestion warrants direct pricing.

**T**HESE TRANSITION MEASURES ARE BOTH imaginative and possibly workable. Roth has made a valuable contribution by getting specific about how we could actually move toward a commercial road system. But as always, we face the dilemmas of bringing about radical, long-term change: Will the transition measures become the new status quo that proves even harder to change than our present situation? Will partway measures generate negative reactions that turn people against the underlying principles and block getting to where we really want to be?

Take the conversion of state and county highway departments into government corporations. While this could be a net improvement (especially if there are incentives to privatize the corporations), the closest existing equivalents—state and county turnpike authorities—are not exactly models of entrepreneurial management. Some of them have become notorious political fiefdoms, offering cushy jobs to cronies and major temptations to siphon off cash. I also do not share Roth's enthusiasm for shadow tolls, now being implemented on a set of privately financed highway projects in Britain. Shadow tolls

## BOOKS

don't provide incentives for better use of roads via pricing. Users never see or feel a shadow toll—it's purely a financial mechanism.

But those are minor points. This is an important and thought-provoking book. It is bizarre that Americans have so uncritically accepted a central-planning model for our transportation infrastructure, while developing the world's best telecommunication infrastructure using a (largely) free market model. Indeed, one of the unexpected delights of this book is a heretofore unpublished essay, included as an

epilogue, by Milton Friedman and Daniel Boorstin, dating from the early 1950s, proposing both private ownership and market pricing for roads. As usual, Friedman was way ahead of most of the rest of us. Fortunately, with the publication of Gabriel Roth's book, these ideas will gain the kind of hearing they have long deserved.

R

*Publisher Robert W. Poole Jr. (bobp@reason.org) is president of the Reason Foundation and a transportation policy adviser and consultant.*

## In Medias Res

By Nick Gillespie

**Hot Air: All Talk, All the Time**, by Howard Kurtz, New York: Times Books, 407 pages, \$25.00

**Good Intentions Make Bad News: Why Americans Hate Campaign Journalism**, by S. Robert Lichter and Richard E. Noyes, Lanham, Md: Rowman & Littlefield, 320 pages, \$58.50/\$22.95 paper

OVER THE PAST QUARTER CENTURY or so, bashing the news media may well have supplanted baseball as the national pastime (certainly the news is filled with more strikes, balls, hits, and errors). From Spiro Agnew's alliterative attack on reporters as "nattering nabobs of negativism," to the bumper-sticker slogan "Annoy the Media, Re-Elect George Bush," to President Clinton's own spirited excoriations of the press's "insatiable desire...to build up and tear down," elected officials waste little time in attacking the self-styled adversarial media.

This may be one of the few areas in which people and politicians are completely in sync: Polls consistently show that about two-thirds of Americans think the press is "biased" (in various ways) and out of touch with average Americans. Last fall, a poll conducted by The Roper Center in conjunction with The Freedom Forum, a nonpartisan foundation that analyzes free speech and press issues, found

that only 10 percent of Americans had a "great deal" of confidence in the news media. (Washington politicians didn't fare so well, either: A mere 6 percent had a great deal of confidence in Congress, while Clinton garnered a relatively robust 16 percent rating in the category.)

To be sure, outspoken and widespread skepticism toward the press (or the government) is nothing new. Back in 1807, for instance, then-President Thomas Jefferson wrote, "Nothing can now be believed which is seen in a newspaper. Truth itself becomes suspicious by being put into that polluted vehicle....Perhaps an editor might begin a reformation in some such way as this. Divide his paper into four chapters, heading the 1st, Truths. 2d, Probabilities. 3d, Possibilities. 4th, Lies. The first chapter would be very short."

Nor, contrary to the media's own self-interested fretting, is such incredulity anything to be overly worried about, at least for the country at large. Far from indicating some horrible and nihilistic trend in

## AUTHORS

See Your Book In Print

70-year tradition of quality.  
Subsidy book publishing,  
all types of manuscripts.  
Write or call for complimentary  
**Author's Guide.** Dept. RS.  
Dorrance Publishing Co., Inc.,  
643 Smithfield St.,  
Pittsburgh, PA 15222  
1-800-695-9599

Learn more reading the news:

**Perspectiva**  
Terremoto en México  
• Perspectiva Monthly (22 pp)  
• Standpunkt Quarterly (30 pp)  
\$25 ANNUAL SUBSCRIPTION

**Standpunkt**  
Avenida: Enigmas del  
Vergangene Monate  
• LANGUAGE LEARNING MAGAZINES  
• INTERMEDIATE READING LEVEL  
• GLOSSARY IN EACH ISSUE  
• FREE GRAMMAR GUIDE  
FOR NEW SUBSCRIBERS

WORLD NEWS • CULTURE • LAW  
HEALTH • BUSINESS • SCIENCE

EDUCATIONAL NEWS SERVICE  
BOX 60478-RES, FLORENCE, MA 01060  
HTTP://www.ednews.com/

**1-800-600-4494**  
TO ORDER OR GET FREE BROCHURE

## Offshore Commercial Bank

Immediate Acquisition  
Class A license  
100% Control. No qualification  
requirements. US \$25,000.

**Finance Merchants Group**  
Nassau Tel: 809-394-7080  
Fax: 809-394-7082  
London Fax: 44-181-539-8246  
Fax-on-Demand Information  
Line: (USA) 817-323-1633

## The Official Campaign Slogan For 1996

We Tried Him  
We Did Not Like Him  
And We Did Not Inhale



**Slick Willie's  
Biggest Lie  
Right Back  
At Him**

High Quality,  
Two Color Products

Hasta La Vista... Bubba! © 1995 JR Creations  
Shipped T-Shirts, M-XL \$15.95 ea. • XXL-XXXL add \$2.00  
Free Sweatshirts, M-XL \$24.95 • XXL-XXXL add \$2.00  
Bumper Stickers \$3.00

Posters \$5.00 ea. Add \$2.00 Shipping & Handling  
Send Check or Money Order to: JR Creations  
1877 310 Street • Odebolt, IA 51458  
Use Visa or MasterCard & call or fax 712-668-4284  
DEALER INQUIRIES WELCOME