OPTIMAL USE OF ENVIRONMENTAL RESOURCES

To increase the benefits derived from the preservation and enhancement of the environmental, aesthetic and social factors of transportation.

1. Benefits and Costs

The transportation system has a considerable capacity to impact the aesthetic and physical qualities of the environment and the intangible qualities that are associated with a community in which people live. Air and water pollution, the noise of jet aircraft and the disruptive effect of a freeway on an urban neighborhood are some obvious examples of the social and environmental impact costs which must be considered in transportation decisions. Highway beautification, regional development roads and the preservation of historical sites are examples of the system's potential for beneficial effects. These qualities are of real value to people and joint development must be taken into account when considering resource allocation and relocation problems. Environmental effects generated by the activities of firms in the transportation industry must also be considered and evaluated against the benefits derived.

2. Policy Implications

Since the market mechanism does not readily respond to the environmental effects of transportation, private transportation does not take environmental factors in account to an optimum extent. Action on the part of the Department and other governmental agencies, therefore, is necessary to minimize the adverse effects of transportation. In fact, this is the area where the government role is very important—to protect the rights of the consumer of the private sector when they cannot readily help themselves. The noise problem with jet aircraft is an excellent example. The noise generated by jet planes has an adverse impact on the people living under the flight paths to the extent, for example, that the value of their property may