

# ARTBA Weathers Crises, Leverages Military to Support Birth of Interstate System

By Tom Kuennen

For the American Road & Transportation Builders Association (ARTBA), the decade of the 1950s represented both the best and worst of times.

It was the best of times because ARTBA fought doggedly to bring to the nation the birth in 1956 of the Interstate highway program and Highway Trust Fund, providing stability and reliability to state and federal road building programs.

But it was also the worst of times, as ARTBA—then known as the American Road Builders Association (ARBA)—endured a stormy period in the early 1950s, during which the lucrative Road Show was suspended, and association revenues were depressed due to lethargic state and national road programs having never fully recovered from the drought of World War II.

Nonetheless, ARTBA conserved its resources and continued the tough fight to bring the Interstate system to final legislative fruition in the Federal-Aid Highway Act and Highway Revenue Act of 1956.

The 1956 act sparked the launch of our Eisenhower System of Interstate and Defense Highways, and indirectly compelled states to overhaul their highway departments and financing structures so they would not miss out on the new

**“There was a time when nobody seemed to believe very much in a great national highway program except ARBA. Even as late as 1950, when ARBA was advocating before committees of Congress programs which might approach \$50 billion in extent, some said the association was having a pipe dream.”**

*— John N. Robertson, District of Columbia director of highways, ARTBA chairman (1955-1957), January 1956*

federal Interstate funds.

As a result—beginning in 1957—increased spending on both the national Interstate program, and for state-funded work outside the Interstate, enormously benefited ARTBA contractor, engineer and government members.

But before then, ARTBA and the United States would endure the shock of the Korean War (1950-1953) and the real specter of Communism taking over the world. In the 1950s, with the Korean War as a backdrop, ARTBA identified U.S. military needs to make sure Congress and the public never forgot how a system of Interstate and defense highways could make America more secure (see related sidebar).

And finally, in that decade, the system became a reality.

## ARTBA Weathers a Storm

The first years of the 1950s were tough for ARTBA.

The massive national highway program it had lobbied for during and after World War II as a means of employing returning service men and women—and as a stabilizer to keep the economy from sliding back into pre-war Depression—was nowhere near fulfillment.

Road funding, too, was at a low ebb. Without a strong national program providing stability, road designers, builders and the government agencies themselves were at the mercy of state legislatures and their priorities of the moment.

“In the early 1950s there wasn’t much to do,” said 1985 ARTBA Chairman Bob Hirschman, chairman of Elderlee, Inc., and L.S. Lee, Inc., in York, Pa. Hirschman joined ARTBA in 1956, when he worked for H.J. Williams Co., in York. “Our company went in the coal stripping business at that time because there wasn’t much work.

“When the Interstate highway bill was



Missouri was the first state to start building an interstate after the Federal Aid Highway Act of 1956 was passed. Photo courtesy of FHWA.

passed, things brightened up for the roadbuilding industry,” Hirschman said. “But before then, the only thing we had going on was the Pennsylvania Turnpike. Our company had as many as four jobs on the turnpike.”

Total state and federal roadbuilding contracts barely moved forward after World War II. Only \$917 million [\$7.8 billion in 2000] in such contracts were awarded in 1947.

**“Associations like ARTBA and the Associated Pennsylvania Constructors were extremely important, because with them we could fight for proper funding, and get the respect and cooperation of the federal and state agencies.”**

*— 1985 ARTBA Chairman Bob Hirschman, Elderlee, Inc., York, Pa.*

That rose to \$1.4 billion [\$10.4 billion in 2000] but then stalled, rising only to \$1.7 billion [\$11.7 billion in 2000] in 1951. The total state and federal highway contracts awarded in 1955 actually declined from the year before, \$2.6 billion compared to \$2.7 billion in 1954.

The dearth of funding for roadwork hurt ARTBA’s membership base and impacted the association’s cash flow. Internally, ARTBA made further changes in its organizational structure. In 1950, the Municipal and Airport Divisions were merged. The Materials and Supplies Division—now known as the Materials and Services Division—was created in 1951.

## ARTBA TIMELINE

### 1950

Gen. Eugene Reybold becomes ARTBA president, replacing Charles M. Upham after 21 years.

### 1951

ARTBA Materials and Services Division established.

Paul Reinhold, Atlas Equipment, elected ARTBA chairman.

### 1952

Federal-Aid Highway Act of 1952 provides \$550 million for two years on a 50:50 basis.

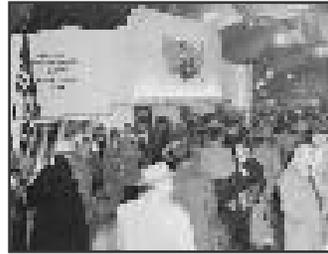
Following the successful 1948 Road Show, a series of events was set in motion that resulted in significant changes in ARTBA organization and operations.

The Construction Industries Association (CIA), which was ARTBA's equipment manufacturing division, moved its offices from Washington to Chicago. Since equipment manufacturers were the major exhibitors, CIA believed it should assume administrative

control of the show and the considerable income that went with it.

Ultimately, CIA—by then the Construction Industries Manufacturers Association (CIMA)—took over the show but continued its affiliation with ARTBA. General Eugene Reybold, ARTBA president, worked to maintain the close relationship between the two organizations that continues today.

Reybold resigned in 1956 and was succeeded as ARTBA's professional executive by Maj. Gen. Louis Prentiss. In 1957—the year after the Interstate act—the Road Show was revived under the complete management of CIMA, with ARTBA as a sponsor. The Road Show continues today as CONEXPO-CON/AGG.



1957 Road Show in Chicago

there was a lot of conversation about whether there would be enough equipment and contractors to perform that amount of work," Hirschman said. "Everybody said we couldn't do it, but of course that was not the case. Contractors were capable of doing a lot more work than they were

actually doing at the time, with the amount of personnel and equipment they had on hand."

In May 1952, ARTBA responded to a request from the U.S. Commissioner of Public Roads, the venerable Thomas H. MacDonald, asking that it inventory the number of skilled mechanics and equipment operators available.

Simultaneously, ARTBA was asked to make a statement as to whether the engineering community could undertake the design of a highway system on a grand scale.

## Korea, ARTBA and Defense Highways

Today, with Communism contained all over the globe, it's difficult to understand the fear that swept the country when in July 1950 North Korean troops invaded South Korea and nearly captured the entire peninsula.

But ARTBA saw that the military needs of the Korean War would enhance the need for a national Interstate system, and it brought military speakers together to emphasize the needs.

At a session on the military value of highways at the 1951 annual convention in Milwaukee, ARTBA Treasurer Jennings Randolph, later Sen. Randolph, said, "With perverted propaganda and the power of armed might, the Communists have set forth on a conquest of which is aimed at control of all the earth."

At that Milwaukee convention, J. Howard McGrath, the U.S. Attorney General, described the sacrifices Americans would have to make during the Korean War. A U.S. Army lieutenant colonel outlined the Pentagon's interests, including the nascent National System of Interstate Highways.

A Civil Aeronautics Administration executive explained how important road links were to airports. A Civil Defense Administration executive spoke on the importance of adequate highways in evacuating civilians during atomic attack. All stressed the inadequacies of the existing system.

A year later, at ARTBA's January 1952 conference in Houston, Maj. Gen. F.A. Heileman, Army Chief of Transportation, described how the Pentagon was fighting for an Interstate system, and that ARTBA members were ready to build it, but that funds and materials were not available.

## ARTBA Lobbies For Interstates

Through war and financial challenges, ARTBA continued to lobby for the Interstate system. The fundamental outline of the system had been established in the 1940s, and political attention turned to how the system could be funded. Then doubts were raised as to whether the highway construction community could handle the potential huge new workload.

"Leading up to the bill, I remember

**"[ARTBA] is in a class by itself insofar as highway construction is concerned. It has a fine reputation at the Capitol in Washington because it approaches the broad questions of highway policy in a deliberative, analytical fashion. Your representatives are never impetuous and the Roads Subcommittee, which I have the honor to serve as chairman, is always pleased to receive their studied opinion on pending legislation. For years, we have placed confidence and reliance in their judgment."**

*-- Rep. George H. Fallon, (Md.), chairman of the House Subcommittee on Roads, Committee on Public Works, at ARTBA's annual meeting, New Orleans, January 1955*

## ARTBA's Landmark Capacity Study

Finally, in 1955 and at the request of Congress, ARTBA completed a formal, five-part review of the ability of the U.S. highway industry to handle a highway program of as much as \$100 billion in size. This became popularly known as the "Capacity Study."

The ARTBA report, *The Highway Construction Industry in a Ten Year National Highway Program*, determined that with adjustments and acceptable growth, engineering, building materials, contractors, construction equipment manufacturers, and the financial health of the construction industry all could support a program of that size.

"I agree with ARBA that proposals to meet a substantial part of the highway requirements through a 10-year program of accelerated construction merit careful consideration," said Rep. George H. Fallon (Md.), chairman of the House Subcommittee on Roads, at ARTBA's annual meeting in New Orleans, January 1955.

The study was so well regarded that by January 1957, A.C. Clark, assistant commissioner, Bureau of Public Roads (BPR), predecessor to the Federal Highway Administration

### ARTBA TIMELINE

#### 1953

Consulting engineer Robert M. Reindollar named ARTBA chairman.

#### 1954

Federal-Aid Highway Act of 1954 increases aid to \$875 million a year, on a 60:40 match basis.

#### 1955

J.N. Robertson, D.C. director of highways, elected ARTBA chairman.

*July: The House turns down a proposed Federal-aid Interstate bill.*

**“It has become increasingly apparent for some time that we would have to scrap all hopes for success by doing a little bit here and there in improving our highways, and, instead, adopt some kind of long-term master plan which would be based on modernizing all of our highways as a single, massive national project ... The American Road Builders Association has been advocating, with considerable insistence, a long-range program of substantial proportions. This has been on track and it surely has been instrumental in bringing us to the point where we now stand contemplating such a program.”**

*Rep. J. Harry McGregor, Ohio, Chair of the House Committee on Public Works, January 1955*

(FHWA), told ARTBA members at their Chicago convention that, “Your task force findings, recent testimony before Congress, and the large number of bids being received on highway contracts, disclose that contractors are still working at levels considerably below their capacity. Engineering is being accelerated to absorb that capacity.”

John N. Robertson, District of Columbia director of highways, had worked closely on the report and as chairman of ARTBA in the critical years of 1955 and 1956, delivered that message to Congress, the government agencies, the public and anyone else who would listen. By 1957, Robertson was able to thank his collaborators for their strong work on the “Capacity Study” task force.

“I ... thank the outstanding business men and engineers who did such a magnificent job last year in preparing and presenting before the Committees of Congress ARBA’s series of Task Force reports dealing with the capacity of the highway industry to carry out economically and efficiently an expanded road building program,”

**“It is axiomatic that [the national] road network must be constantly extended, modernized and improved to keep it in conformity with the growing demands of an expanding national economy. Investment in new and improved roads will pay dividends to the country in reduced traffic casualties, in productive time saved through the avoidance of traffic jams, in increased efficiency in the movement of goods, and in the demands of defense should an atomic war come.”**

*-- Washington Post, 1955*

Robertson said. “Each member of ARBA owes a debt to the services rendered by these leaders.” He added that in the wake of the 1956 act, the reports were being updated, again with the assistance of the Bureau of Public Roads.

## Outreach to Hearst Papers

One person who joined with ARTBA in lobbying for improved highways was the popular and powerful William Randolph Hearst, Jr., chairman of The Hearst Newspapers. In 1952, aware that inadequate roads would slow the economy, Hearst reassigned a managing editor of the Detroit Times to exclusively cover the need for better roads for all Hearst papers.

In following years—under Hearst’s personal direction—the giant newspaper chain ran an aggressive campaign for better roads. Between October 1952 and the end of 1955, the Hearst papers printed nearly three million lines on the highway problem, enough to fill 1,229 full newspaper pages.

For his efforts at influencing public opinion, Hearst was honored by ARTBA with the 1955 George S. Bartlett Award, the distinguished award bestowed by the highway community each year. In his acceptance speech at the 1955 New Orleans convention, Hearst said, “The [American] Road Builders Association holds a rather special place with the Hearst newspapers ... The road builders had the courage to take this stand [against inadequate 1954 legislation] despite its vulnerable position as an organization obviously having a financial interest in highway construction. It might well have remained silent, but the fact that it did not do so demonstrated statesmanship and integrity.

“We do not have the roads yet, although we believe they are just over the horizon,” Hearst told ARTBA. “Ladies: Your husbands are going to be very busy men for the next 10 years.”

## Eisenhower Jump-starts System

It would be another year before Hearst’s prediction came true. And that prediction never would have come true without the intervention of President Dwight D. Eisenhower.

Since early February 1954, Eisenhower had believed that the federal government should boost road spending in order to accommodate traffic, wrote AASHTO in its definitive history, *The States and the Interstate* (1991).

“Eisenhower was seeking a dramatic plan to get \$50 billion worth of self-liquidating highways under construction,” AASHTO wrote. But “[w]hile he would condone federal loan guarantees, an expanded road program could not be allowed to upset the federal budget.”

In August 1954, Ike asked retired Gen. Lucius D. Clay to establish a committee to look at accelerated roadbuilding, and on Jan. 11, 1955, the Clay Committee presented its plan to Eisenhower. But a bill based on the Clay Committee plan was defeated by the Senate in May 1955 and by the House that July.

Alternate bills were offered by Sen. Al Gore, Sr., of Tennessee, Rep. George Fallon of Maryland and Rep. Hale Boggs of Louisiana. In bits and pieces, these evolved into legislation that was introduced in the House in April 1956 and passed overwhelmingly, 388 to 19. A compromise conference bill passed the Senate in June by a vote of 89 to 1. It was signed by Eisenhower June 29, 1956.



President Eisenhower signs the bill creating the Interstate Highway System. The ceremony is attended by members of Congress who were instrumental in the passage of the act. Photo courtesy of FHWA.

## ARTBA TIMELINE

### 1956

Louis W. Prentiss named association president (1956-67).

**June:** Eisenhower signs 1956 act creating Interstate system and Highway Trust Fund.

Association launches weekly newsletter.

ARTBA Planning & Design Division established.

**“[C]ontention over the method of financing should not be permitted to deny our people these critically needed roads ... The nation badly needs new highways. The good of our people, of our economy and of our defense, requires that construction of these highways be undertaken at once.”**

*President Dwight D. Eisenhower, July 28, 1955, following the defeat of a proposed Federal-aid Interstate system bill*

## Great Satisfaction at ARTBA

By early 1956, it was clear that an Interstate bill would be passed; only the funding and mechanics had to be decided.

Thus, it was with some great satisfaction that in January 1956, on the verge of passage, ARTBA's Robertson was able to tell the annual convention delegates that ARTBA “played a vital and tremendous part in the development of the post-war highway program which found its roots in legislation before World War II ended. ARBA was a vigorous champion, at that early date, of a long-term road building program. We planted the seed then. Today, we approach realization of our efforts.”

“After the Interstate act was signed, everybody heaved a sigh of relief,” Hirschman said. “It lifted the lid off things pretty much right away. We got out of the coal stripping business and back into highways. The volume increased almost every year. We bought more equipment, hired more people, and branched out to other states.”



From left to right: 1957 ARTBA Chairman Julian Steelman, then-Vice President Richard Nixon, Gen. Louis Prentiss and U.S. Senator Jennings Randolph at the ARTBA convention in 1958.

The Federal Aid Highway and Highway Revenue Acts of 1956 provided for a 13-year construction period beginning July 1, 1956, to be largely financed on a pay-as-you-go basis through the newly-established federal Highway Trust Fund. New and increased user taxes were projected to bring in a new \$14.8 billion [\$92 billion in 2000] over 13 years, toward \$38.5 billion [\$239 billion in 2000] in new and existing road taxes over 16 years.

The acts provided for a 90:10 federal/state share of Interstate construction, and a 50:50 share for primary, secondary and urban projects. These replaced a system that long had provided short-term federal aid to states on a 50:50 basis.

Later in that decade, recession in the United States prompted a new Federal-Aid Highway Act of 1958, which boosted Interstate appropriations from \$2 billion annually to \$2.2 billion in 1959 and \$2.5 billion in 1960. The pay-as-you-go aspect of funding was suspended for two years, and gas and excise taxes were raised to cover increases in appropriations.

## Change Came Immediately

Change came immediately as the accelerated road building program commenced. One hour after Eisenhower signed the 1956 act, a Certificate of Apportionment for the first year's authorization of \$1.125 billion [\$7 billion in 2000] was signed by the secretary of commerce. Weeks later, on Aug. 1, 1956, to further accelerate the program, he made an additional apportionment of \$2.55 billion [\$15.8 billion in 2000] for FY 1958.

“More federal-aid highway funds will be available to the states in the first four years of the new program than in the previous 40 years of Federal-aid combined,” BPR's Clark told ARTBA's 1957 Chicago conference. “Congress has now authorized a long-range construction program. For the first time in highway history we are taking a long look into the future.”



President Harry Truman (1945-52) is presented an ARTBA life membership and silver membership card by ARTBA officers and directors.

As a result, state and federal highway contracts awarded rose from \$2.6 billion in 1955 to \$3.9 billion in 1957 and \$4.6 billion in 1958.

Big changes came in engineering, too. Less than three weeks after Ike's signature, the Bureau of Public Roads approved geometric design standards for the Interstate system that had been adopted by the American Association

of State Highway Officials (AASHO, later AASHTO). To further accelerate roadbuilding, Congress authorized, for the first time, the use of photogrammetry for project design.

In January 1957, as the program began to ramp up, Rep. Boggs addressed ARTBA at its annual convention in Chicago. “Its success holds tremendous promise for our country,” Boggs said. “It will give us the most modern ground transportation system in the world. It will relieve the bottlenecks which are now choking many of our great cities. It will give tremendous impetus to the automobile, steel, concrete and construction industries.

“It will reduce the frightening toll of death on the highways, which is fast approaching 50,000 persons per annum. And finally, when completed, it will be the biggest bargain ever purchased by the American motorist,” Boggs told ARTBA. “I know of no group which has a greater stake in this program than yours, nor no group which can better assure its success.” **TB**

**FOLLOWING ARTICLE:  
Roadbuilding Enters Its Golden Age As Interstate System Unfolds (1960-1969)**

## About the Author

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## ARTBA TIMELINE

### 1957

Koehring Chairman Julian R. Steelman elected ARTBA chairman.

First Road Show in nine years takes place under CIMA control in Chicago.

### 1959

Nello Teer, Jr., president, Nello Teer Co., elected ARTBA chairman.