Transportation Leadership and Policies During Trump Administration

Introduction

The Department of Transportation's (DOT) responsibilities span the gamut of aviation, maritime, railroad, and automotive transportation. DOT comprises a number of administrations, each with its own specialized focus. The Federal Railroad Administration, Federal Maritime Administration, and Federal Highway Administration are responsible for managing investment in railroads, domestic maritime trade, and highways. In total, there are eleven of these administrations; in addition to the FRA, MARAD, and FHWA, there is also the Federal Motor Carrier Safety Administration, Federal Transit Administration, Great Lawrence Seaway Development Corporation, National Highway Traffic Safety Administration, and Pipeline and Hazardous Materials Safety Administration. Finally the Office of the Secretary and the Office of the Inspector General round out the list.

Unlike some federal departments, DOT's impact is figuratively – and often literally – concrete. It helps build bridges, roads, and airports. There is some confusing overlap in DOT's authority on a number of points. It has some authority over navigable waterways (rivers, canals) via MARAD, but so do the Army Corps of Engineers and the Environmental Protection Agency. Likewise DOT has some authority over rail transportation via the FRA and, to a lesser extent PHMSA, but it often plays second fiddle to the Surface Transportation Board. NHTSA sets fuel economy standards, but the EPA's emissions standards tend to make a bigger splash. And while MARAD has significant authority over waterborne shipping, the bigger player in that sector is the Federal Maritime Commission.

Despite that caveat, DOT still has significant power over a broad range of transportation issues. It also has near complete power over civil aviation. Because of federal preemption, the FAA and the Secretary of Transportation are the only ones who can enforce any form of regulation on aircraft and airlines. While we had been critical of the current Secretary, Pete Buttigieg (much less so recently, as he seems to have made enormous progress in the past year), in nearly every case the root of the problem went back to (at least) his predecessor. Whether they originated there or merely grew worse, problems festered for years as the concerns of workers and consumers were shunned for the entirety of the Trump presidency.



Trump-Era DOT Leadership and Policies

The Trump-era Department of Transportation was run by Secretary Elaine Chao, whose tenure was marked by absolute, repeated disaster, corruption, callousness, and aloofness.

The Chao-led DOT oversaw the <u>shattering of American supply chains</u>, <u>causing massive inflationary pressure</u>; presided <u>over the Boeing 747 MAX 8 disaster</u> in 2019, where the US <u>stalled and lost credibility</u> as a leader in civilian aviation; and <u>repealed rail safety regulations</u>, which made derailments, like the one last winter in East Palestine, Ohio much more dangerous. The modus operandi of the Trump-era DOT was to deregulate transportation, enrich corporations, and weaken protections for consumers, workers, and the public.

Elaine Chao oversaw DOT during "one of the most spectacular logistical breakdowns in modern history." As the pandemic forced consumers to shift their spending away from services and towards goods, shipping infrastructure proved too brittle to handle the extra load. To be fair, this is far from singularly Chao's fault; it is part of a larger picture of deregulating supply chains. However, Chao and her husband, Mitch McConnell have wielded outsized influence over the Federal Maritime Commission for decades and Chao leaned into this deregulation across the transportation industry. Her family also likely saw substantial financial benefit from that crisis via their ocean shipping company, Foremost (the company, which specializes in dry bulk, was founded by Chao's father and is still owned and operated by the family).

Quieting Whistleblowers

One problem that permeated Chao's DOT was the chilling of whistleblowers. After her stint as Secretary of Labor for President George W. Bush, Chao was renowned for her extreme hostility toward whistleblowers. In 2008, she faced <u>bipartisan scrutiny</u> from Sens. Patrick Leahy (D-VT) and Chuck Grassley (R-IA), who questioned her Department's approval of only 17 out of 1273 whistleblower requests (just about 1 percent!).

Whistleblowers couldn't have felt much safer with her at DOT, especially considering that the Department's Inspector General was quietly <u>axed by Trump</u> in the middle of an investigation into Chao's favorable treatment of her husband Sen. McConnell's state of Kentucky. His replacement, Skip Elliott, was one of Chao's direct reports, undermining even the appearance of independence. Other top officials shared Chao's disgust for whistleblower protections, including former FAA head Steve Dickson, who was appointed after the Boeing Max 8 crashes that killed over 300 people. As a Delta executive, Dickson <u>forced a whistleblower into psychiatric care</u> to discredit her concerns. Dickson's attitude was so disturbing that the House voted *unanimously* to



create a new whistleblower protection office inside of the FAA that could not be influenced by the FAA Administrator.

Bungling the Boeing Crisis

Chao's DOT bungled the handling of that Boeing crisis. The FAA leadership chose to twiddle their thumbs rather than promptly ground the MAX 8 aircraft that crashed in Ethiopia. The aviation regulator waited for days to act even though the tragedy followed a very similar crash in Indonesia a couple months prior. In fact, other aviation authorities that typically take cues from the FAA broke from that tradition. Chinese authorities, for example, noted that they announced the first grounding of the MAX 8s because the FAA was missing in action.

Indeed, inaction was the name of the game at Chao's DOT. After dithering on a response to the disasters, Chao's DOT refused to even increase oversight of Boeing. She also refused to implement a Congressionally mandated consumer-protection rule, which would have prevented airlines from charging parents extra to sit with their children. (Consumer Reports found in 2020 that children as young as one were being separated from their guardians on flights when the guardians didn't pay the extra fee.) This disdain for the public interest was also evident in her refusal to issue any official guidance for safety precautions for air travel during COVID (preferring instead to write an op-ed in USA Today).

East Palestine Train Derailment

Chao's DOT also repealed an Obama-era rule that required trains carrying hazardous materials to be equipped with electronic braking systems (kind of like an oversized version of anti-lock braking systems on automobiles) after lobbying from the rail industry. It's likely that many of the worst harms of the train derailment in East Palestine could have been avoided had the train been equipped with this system. While the train might have still derailed, odds are the crash would have occurred at a much more controlled pace. A more controlled derailment might not have been severe enough to ignite anything, which would have been a markedly preferable outcome to the dozen railcars of vinyl sulfate (a toxic chemical) catching fire.

Conclusion

On top of all of this, Chao was also transparently corrupt. She planned to take her father on an official trip to Beijing so that he could get face time with both Chinese and American government officials (remember, he's a key part of the Foremost shipping company), funneled money to Kentucky to help her husband's reelection campaign (highlighted by an Inspector General report), and her calendars seem to show that she was far less involved in overseeing DOT's operations than would be expected of a cabinet secretary.



Elaine Chao has a distinguished record of public disservice. She may have helped corporations increase their profits, but she gave an icy shoulder to whistleblowers and the public. Her legacy is one of high inflation, jeopardizing the safety of Americans and people around the world, and crashing trains.

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