

Statement of Diana Furchtgott-Roth  
Nominee for Assistant Secretary for Research and Technology  
U.S. Department of Transportation  
Before the  
U.S. Senate Committee on Commerce, Science, and Transportation  
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10:00 am

Chairman Thune, Ranking Member Nelson, Distinguished Members of the Subcommittee, thank you for the opportunity to appear before you today. I am honored to be nominated to the position of Assistant Secretary for Research and Technology at the Department of Transportation. Over the past month I have met with many staffers and Senators, and I appreciate the opportunity to do so and hear your concerns about America's transportation networks. Should I have the honor of being confirmed, I look forward to working closely with you in the future.

I'd like to introduce my husband, Harold Furchtgott-Roth, and my father, Gabriel Roth. My son Jeremy is here with his wife Chani and my grandson Isaac, age two. My sons Theodore and Richard are here on fall break from college. Unfortunately my other children, Leon, Francesca, and Godfrey, who live in Boston and New York, are not able to come down, due to work and school commitments.

Since 2001 I have been supervising economic research. As chief of staff of the Council of Economic Advisers at the White House, I managed the hiring of a staff of academic economists who were generally on leave from their universities for a one- to two-year period. At the Council, I coordinated and supervised the 2002 Economic Report of the President. Then, as chief economist of the U.S. Department of Labor under Secretary Chao, I oversaw research, including publication of the volume "America's Dynamic Workforce." At the Manhattan Institute, I manage the economics division, known as Economics21, including its research initiatives and the activities of the Shadow Open Market Committee. I have written papers and articles on a number of transportation topics.

I believe strongly that the product of research must be trustworthy and that data should not be manipulated in order to get a preferred conclusion. It is possible for different researchers to interpret data differently, or to use different models or data sets to arrive at their findings, but basically facts are facts. We can have differences of opinion, but

we should not invest in research that is not intellectually honest. If I am confirmed, I pledge to adhere to this standard.

Transportation is used by Americans in some form every day. Even if they do not travel by car, bus, plane, train, or bicycle, they use goods that were brought to them through our transportation system. There is nothing more important to the well-being of Americans than a properly-functioning transportation system. Assisting Secretary Chao in improving the operation of America's transportation network would be a great privilege.

There are many questions that surround issues of infrastructure financing and the implementation of new technologies that could be explored.

For example, autonomous vehicles hold great promise. Almost 40,000 people were killed on the roads in 2016, an increase of over eight percent from 2015. Autonomous vehicles have the potential to offer improved safety; accessibility for all Americans to transportation; and improved technology and economic growth. We need to understand each of these better.

But autonomous vehicles may also have unintended consequences. What effects will these vehicles have on employment? Will our systems be able to stand up to cybercriminals? What effect will autonomous vehicles have on patterns of road usage? How might this affect the economy in terms of the number of cars, the wholesale and retail sectors, population distribution, property values, and other aspects of the economy?

Drones also offer new promising technology with a wide variety of applications. For example, we joke about ordering a pizza and having it delivered by drone. This technology could cut delivery times, not just for pizzas, but also for a wide variety of goods. It raises questions of the effects on the workforce. There are also security and privacy issues involved. More research is needed.

Other countries are making rapid advances in transportation infrastructure and technology, and we must redouble our efforts to remain in a position of global leadership. If I am confirmed, I look forward to working with others at DOT and in Congress to achieve this end.

Thank you for listening, and I would be glad to answer any questions.