



# VIEWPOINT

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## Can We Create a Viable National Transportation Policy?



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**S**tate and federal transportation departments, the White House, and Congress have failed to promote and fund a coherent and dynamic national transportation policy to meet the infrastructure demands of our 21st century global business environment.

Today's overburdened and congested infrastructure cannot meet the economic and energy demands of a population that has doubled since 1950. Our nation's leaders have also failed to recognize our intermodal transportation system and have left us with a largely highway-based system stretched beyond capacity.

While the government remained a silent spectator as intermodalism evolved and global trade increased, the nation's Class 1 freight railroads have stepped forward to help fill the void left by government ineffectiveness. The private sector is helping to achieve some necessary infrastructure efficiencies and is beginning to alleviate some problems.

Between 1980, the year of deregulation, and 2005, Class 1 railroad freight revenue ton-miles grew 84.7 percent. During this period, railroad employment decreased by 18 percent, while the use of intermodal and other freight cars increased by 50 percent—speaking directly to the increased productivity

demonstrated by the nation's 97,496-mile rail network. At the same time, thanks in large part to this productivity and increased consumer consumption, GDP more than doubled—from \$5.2 trillion to \$11.7 trillion annually.

The private sector has developed intermodal properties in areas such as Meridian, Miss., with direct rail connections to Port Rupert in Canada via CN and direct service to Lazaro Cardenas, Mexico, via Kansas City Southern Rail. BNSF has built large terminals in Joliet, Ill., and Alliance, Texas, enabling private developers to build logistics parks around rail connections. CSX is building a major intermodal rail facility and logistics park in Winter Haven, Fla.

But the private sector cannot do it alone. In 2050 our economy will be four times as large as it is today, generating another 50-percent increase in transportation activity over the next 20 years, the DOT estimates.

Class 1 railroads cannot bring about the required policy changes and funding necessary to address all our growing transportation concerns. They have to pay for the construction and maintenance of their own rights-of-way. But to continue contributing to infrastructure enhancements and carry more freight

more quickly, the rails must have additional investment capital beyond what they can generate.

The private rail sector has demonstrated it can create economic efficiencies to handle our growing freight burden. For freight railroads to continue to re-engineer, rebuild, and enhance their privately-owned rights-of-way, however, they will need a realistic transportation policy and government funding. Without them, it will be impossible for our current transportation network to handle the continuing capacity surge.

Today's broken transportation infrastructure cries out for common sense dialog between the private and public sectors that will produce a working 21st-century transportation agenda. If Congress and DOT are serious about creating an up-to-date transportation network, they must listen to the industry leaders who understand our interconnected, multimodal system and work closely with the private sector to create a seamless intermodal infrastructure.

This country needs a strong, intelligent, and cooperative partnership between the public and private sectors to make a real difference in developing a viable national transportation policy and infrastructure. ■