Road of the TIGER

By Thomas O’Brien

In a September Perspectives column, I wrote about the European Commission’s Key Performance Indicator Initiative, a three-year program to increase awareness about the shipping industry and to boost industry recruitment efforts. A joint effort between Brussels and industry, one of its principal goals is to improve shipping’s image and the public’s knowledge of the maritime sector and international trade.

I argued that a similar program here in the U.S. would be a more difficult undertaking, due in part to a lack of an overarching goods movement strategy at the national level. Such a strategy would be necessary to help negotiate the often competing interests of various industry segments and the public sector.

The poor economy and declining trade volumes may have forced the issue, however, at least here on the West Coast. Earlier this month, the six most prominent West Coast ports and the region’s only Class I railroads announced a new collaboration at the World Shipping Summit in Qingdao, China. The U.S. West Coast Collaboration – a partnership of the Ports of Los Angeles, Long Beach, Oakland, Portland, Seattle, and Tacoma, along with the BNSF Railway and Union Pacific Railroad – is designed to “further strengthen the U.S. West Coast ports’ position as the preferred gateway for Asia cargo to and from the Midwest and cities further east.” Among the collaboration’s objectives is to not only convey the advantages of shipping through the West Coast but also to “clarify and correct misinformation and/or misperceptions” about ports and railroads. Ports across the country have taken a hit from industry about their policies regarding everything from clean trucks to container fees. Our two local ports have taken the hardest hit. For better or for worse, L.A. and Long Beach have been the face of the green port movement, but “green” is in the eye of the beholder and L.A. and Long Beach have the most to gain from a campaign that reminds shippers in particular about the benefits of moving goods through the West Coast.

The collaboration recognizes that while it is burnishing its image with the rest of the industry, it must also remind U.S. lawmakers that maintaining our country’s position as a leader in globalized trade is critical to the nation’s economic recovery. As a result, collaboration members have asked Washington for a national goods movement plan with dollars attached.

So does this signal that the goods movement industry has turned a corner and made the case for a more business friendly environment with elected officials and the general public? Not entirely. While they are more likely to get a sympathetic ear in tough economic times, freight-related interests must still negotiate the perilous waters of transportation policymaking.

Case in point: the federal government’s Transportation Investment Generating Economic Recovery (TIGER) grant program. The U.S. Department of Transportation announced the availability of these discretionary grants earlier this year. Their purpose, like other aspects of the American Recovery and Reinvestment Act, is to help stimulate economic activity and job growth through investments in our nation’s infrastructure. The response has been overwhelming. More than 1,300 applications for some $66.5 billion in projects were received from all 50 states and from various U.S. territories including 117 proposals came from the State of California. While the majority of the projects involve highways, approximately 16 percent included freight rail or port-related improvements.

One of the criteria that will be used to evaluate the projects is “livability,” which federal guidelines define as “improving the quality of living and working environments and the experience for people in communities across the U.S.” Livability, like sustainability, is language borrowed from urban planning and is often used in the context of public transit access and walkable communities, not freight. Economic competitiveness is another TIGER grant criterion, as is job creation, and freight projects will certainly have impacts in those two areas. But there is no objective specific to goods movement. This is the challenge facing the industry.

During the recent METRANS National Urban Freight Conference in Long Beach, a panel of representatives from the world of academia, industry and the environmental community addressed the topic of freight and livability. There was general consensus that freight and livability are not necessarily incompatible concepts. If you consider that employment is also a quality-of-life issue, then the logistics industry contributes to livability simply because it is one of the largest direct and indirect generators of jobs in Southern California. But there was also consensus that the threshold for livability for communities along freight corridors has been relatively low.

So the challenge remains. The U.S. West Coast Collaboration is right to make the case for trade through this region. The problem is that the audience in Washington may prove tougher than the audience in Qingdao, and there is a lot of competition for the soapbox in D.C. When it comes to TIGER, will freight have the loudest roar?

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