

produce an affordable capability where the military risk is acceptable—based on fact, not assumption. At that point, a determination can be made as to where the government should invest its money in order to obtain the desired result.

If a decision is made to terminate all support for a U.S.-flag merchant marine, then the current American companies should be supported by their efforts to remain viable as they shift to a foreign-flag mode of operations.

George List on Goods Mobility

A major shift in thinking and policy seems to be taking place. The state of New York has determined that problems in the New York metropolitan area are tax-based and have to do with goods mobility as opposed to personal mobility. I am exploring ways in which the ability of goods to move within that area can be improved. One of the problems with a constituency in the context of federal transportation policy has to do with whether or not maritime and intermodal interests have a high level of attention so far as the state departments of transportation are concerned. In New York's case, I think this problem may be in the process of change, and you should take advantage of that. I am looking at the transportation network in the New York metropolitan area to determine whether or not its use can be allocated to make goods movement easier or whether its dedicated use of lanes of expressways for freight purposes or private roads can better connect the ports to railheads, etc. The spectrum of that has yet to be defined, but it is clear that this is the direction in which we are going. Freight is where the leverage is. Freight goes where the tax base goes.

John Vickerman on Technology in U.S. Terminals

The United States is not as competitive as the rest of the world in terminals and in the capability of moving cargo from marine side to land side. In some instances, we have one-third of the capability of the entire world. If we are going to be more competitive in the global market, then we better do something about it. Right now, we are at the very bottom, worse than some developing nations.

Well and good that we talk about getting funds for research and development, but until the marine terminals of this nation start producing at higher throughput levels to compete more effectively in the world market, it doesn't matter how much research and development you have. We are never going to have effective marine transportation systems that allow us to compete effectively. We are not doing an adequate job.

AFTERNOON SUMMARY: Kathleen Stein-Hudson

As I have listened to the shipper perspectives and responses and to our discussion, eight points came through quite clearly.

1. Price and service are of critical importance.
2. Regardless of one's perspective of which is Number 1 and which is Number 2, the notion of consistency of performance on the part of shippers is critical.
3. Also, regardless if one is a low-tech or high-tech user, the need for accurate and timely information is key.
4. The notion of a customer focus as the central, functional element of strategic planning is emphasized very strongly.
5. We are in a global context and global competitiveness is a key issue.
6. Maritime research is underfunded and a research agenda is needed, along with a strategy for that research. Relating research to performance and results is important.
7. On the role of government, we have many different perspectives. We lack consistency among regulations at all levels of government and we need to take a closer look at the costs and benefits of regulation and the parties on whom those costs and benefits are falling. Some of us say there are clear government policies that don't get enacted. Others say there is a lack of clear government policy.
8. Finally, identifying who our constituencies are, constituency building and alliance building, either at the Congressional level around funding or among shippers and between shippers and carriers, are crucial to strategically dealing with the issues of today and tomorrow.