



Don't miss the boat on shipping

By: Ray LaHood

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When the Panama Canal opened 102 years ago, it was one of the largest and most difficult engineering projects ever undertaken. The result revolutionized the global shipping industry by saving cargo ships from the precarious 5,000-mile trip around South America, reshaping both international and domestic shipping and trade patterns. When the newly widened Panama Canal reopens later this year, the result will again be transformative. But with this massive opportunity comes massive challenges.

In order for the new "Post-Panamax" ships to call at existing seaports, the harbors must have a depth of at least 50 feet. While American West Coast ports can largely handle the bigger ships, only three of our East Coast ports — Baltimore, Norfolk and Miami — are deep enough to accommodate them. This has set off a "race to the bottom" up and down the East Coast to dredge the ports. Meanwhile, ports in developed countries around the world have already prepared for the Post-Panamax ships, while the United States has, predictably, fallen behind.

But having a port depth is only half of the battle. Land-side infrastructure must be capable of moving millions of tons of goods, quickly and efficiently, to and from the port. The Post-Panamax ships are the length of aircraft carriers, and from the waterline they are nearly twice the height of the Lincoln Memorial. Currently, ports are loading and unloading ships with capacities of 5,000 containers. The new super tankers will hold [up to 14,000 containers](#) — nearly three times the capacity — and will hold as much cargo as 16 freight trains. Handling this significantly increased volume will require upgraded roads, rails and bridges to move the freight. Stop me if you have heard this one before: The United States is not ready for this, either.

Even before the Post-Panamax ships come calling, many of our ports already suffer from severe congestion, which slows down shipping and increases costs for consumers. For example, while the Port of Baltimore has the appropriate depth, a critical nearby rail tunnel is more than 140 years old. That Civil War-era tunnel is not tall enough to allow for trains double-stacked with containers to pass through, creating a cargo bottle neck. In New York, the Port Authority of New York and New Jersey is raising the height of the Bayonne Bridge from 151 feet to 215 feet to accommodate larger ships that need to enter the port.

These issues are in no way isolated. From coast to coast, America has dug itself into a hole of infrastructure underinvestment and deferred maintenance. According to the American Association of Port Authorities, replacing and repairing crumbling roads, rails, bridges and tunnels that connect seaports to the rest of the transportation network will cost nearly \$30 billion over the next decade.

I have argued for many years that for America to thrive in the global economy, we must have a comprehensive national freight strategy that prioritizes improvements to our freight transportation network. In 2012, as the Transportation Secretary, I launched a freight advisory committee. Last fall, current Transportation Secretary [Anthony Foxx](#) unveiled a draft National Freight Strategic Plan, which I was pleased to see incorporated many of the recommendations from the freight advisory committee, including the creation of a dedicated freight funding program. I was also encouraged that Congress agreed and included a \$4.5 billion grant program in the FAST Act for nationally significant freight and highway projects, and \$6.3 billion for states to invest in freight projects.

Yet, more needs to be done. We need increased levels of commitment at every level of government and a plan to better leverage private sector investment if we want to maintain competitiveness in the rapidly shifting and accelerating global economy. For example, Congress has identified a number of port-related projects that are worthy of support, but it has not fully funded them. Congress should ramp up funding of TIGER grants and continue to invest in these important port projects.

But the responsibility should not be on the federal government alone. Ports should also continue to explore a greater partnership between the public and private sectors. We all know that federal dollars for infrastructure projects are becoming even more scarce, so ports and local governments should look for every opportunity to further leverage private investment.

It is hard to grasp the extent that our economy relies on ports and the network of infrastructure that serves ports. Every day \$6 billion worth of goods and materials move through America's ports. For context, Facebook ended 2015 with about \$6 billion in revenue for a quarter. U.S. port activities generate \$4.6 trillion in economic activity annually and support more than 23 million jobs.

The global shipping industry has been around for centuries, but it is expanding and evolving in amazing ways. Both on and off the water, it's time for the U.S. to catch up to the rest of the world so we don't miss out on these fast-paced changes and we keep these good-paying jobs from slipping away.

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