

Trade and Transportation on the Campaign Trail



■ TRADE AND TRANSPORTATION
By **Thomas O'Brien**

In the run-up to the February 5 Super Tuesday primary in California, both Hillary Clinton and Barack Obama went on the record in support of the Ports of LA and Long Beach's clean truck program, including the controversial proposal to grant employee status to truck drivers. It was one of the few occasions during this election season where transportation issues caught the attention of the candidates; more important perhaps, they were willing to take a position on them. Obama has introduced federal legislation that closes legal loopholes regarding driver classification and independent contractors, but you don't hear him talk about it when he's campaigning. It's not an issue that has legs during an election cycle.

On the other hand, all of the candidates have been willing to take a stand on trade. Senators Clinton, McCain and Obama have been in Congress long enough to have a voting record on key trade issues. In 2002, Senator Clinton voted against granting the President Trade Promotion Authority, under which international trade agreements are subject to an up-or-down vote, but not amendment, in Congress. Both Clinton and Obama oppose the proposed free trade agreement (FTA) with Korea in its current form and have opposed the Central American Free Trade Agreement (CAFTA). Senator McCain is in favor of the Korean FTA. Both he and Governor Huckabee favor keeping NAFTA while Senator Obama has stated that he wants to amend it to improve labor standards. Issues like outsourcing are inextricably linked to the economy in voters' minds. As a result, they are unavoidable in stump speeches.

It is much easier to avoid transportation, even if the consequences of doing so are great. Remember the Minnesota bridge collapse. The responsibility for planning and financing transportation improvements has increasingly devolved to state and local governments over time since the completion of the Interstate highway system. Federal fuel taxes are distributed to states with minimal requirements that would reflect a national consensus on needed improvements. Former Deputy Secretary of Transportation Mort Downey put it best in his recent address to the National Urban Freight Conference in

Long Beach when he said that we have a 2007 trade policy being supported by a transportation policy best suited to the 1960s and 70s.

As a result, candidates will choose to support local transportation efforts on the campaign trail when and if it makes sense to do so. So Obama and Clinton can support a truck plan for Southern California without calling for an overhaul of motor carrier rules at the federal level. The problem is that our transportation systems serve a national purpose. Eisenhower's interstate highway system was designed for both national defense and interstate commerce; and both of those still matter.

But making our roads and rails safe and efficient (as well as the vehicles that use them) will mean difficult choices, particularly when it comes to financing. Nearly 90% of the federal revenue that goes into the transportation trust fund comes from fuel taxes; and outlays are currently outpacing revenues. As a nation, we're at serious risk of not being able to find the \$130 billion needed for improvements to the bridges and highways in this country, let alone the money needed to maintain and upgrade our freight rail and intermodal facilities.

The fuel tax has not been increased since the early 90s; and there is little consensus at the national level to do so at this time. US Department of Transportation Secretary Mary Peters is on the record opposing any increase in the gas tax. She recently told the Senate Environment and Public Works Committee that, while freight is a matter of national interest, states have to be given greater latitude in how they spend their money. This however makes it difficult to develop a national consensus on projects that have regional and national significance but are perceived to be local in nature. Because of the role our ports play in delivering goods to the rest of the nation, the entire country has a stake in improving the Gerald Desmond Bridge. But when it comes to financing, it's us vs. them, our projects vs. their projects.

And candidates will be more than content to defer to local wishes during the election season. Calling for national solutions that might include a discussion of the gas tax or a national capital infrastructure budget makes for a less than ideal sound bite. Local tolls and fees and state bond initiatives have their place; but at some point, our new President will be forced to recognize that the safety, security and efficiency of our transportation system is a national concern. The tough part will be convincing the nation that national leadership on this issue will still pay dividends locally. ■