

NATIONAL REVIEW

No Truckers? Let's Try Ships

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Although the economy continues to ride high, there is growing concern that a dearth of truckers could soon drive it into a ditch. Anecdotes suggest an increasingly frantic scramble for drivers, with \$70,000 salaries said to be insufficient to lure new drivers to the field. The trucking industry faces a shortage of 63,000 open positions this year — a number that is only expected to increase — and companies are already said to be turning down loads due to a lack of available trucks.

Some members of Congress have responded by introducing a bill that would allow drivers as young as 18 to transport goods outside the state they're licensed in, down from the current age of 21. While a welcome step, more-expansive thinking is needed. Additional drivers are one solution, but there is another that should be considered: more ships. Rather than tinkering at the policy margins, Congress should pursue measures that would transfer freight from the nation's roads onto its waterways.

Repealing the Jones Act would be a good start.

Passed in 1920, this law mandates that ships transporting cargo between two points in the United States be domestically flagged, owned, crewed, and built. Intended to bolster the U.S. maritime sector, the Jones Act has instead been a case study in the failures of protectionism. Absent foreign competition, U.S. shipbuilders produce vessels whose price is as much as eight times higher than those built abroad. This disincentive to the purchase of new vessels means we have fewer ships and a fleet that is old and inefficient.

High costs have inevitably followed and, along with them, increased demand for transportation alternatives such as trucking and rail.

The proof is in the numbers. From 1960 to 2014, the amount of freight placed on railroads increased by 48 percent while intercity trucks saw their loads grow by an impressive

217 percent. In sharp contrast, the amount of cargo carried by ships sailing around the coasts during this period decreased by 44 percent. And Great Lakes shipping declined by 43 percent.

In a more rational system, much of the goods carried by truck would travel aboard ships plying the country's coastal waters. In Europe, for example, 40 percent of domestic freight goes by sea. In the United States the figure is a mere 13 percent.

Even as Americans have shunned ships for domestic use, however, they appear perfectly willing to employ them to conduct trade with Canada and Mexico. Freed from the Jones Act's restrictions, coastal ships linking the United States with Canada and Mexico have seen their freight tonnage more than double during the same time period.

Given the decline of domestic shipping, Americans are now left with a transportation system that is hugely dependent on trucks — and on the drivers who operate them. According to the Bureau of Transportation, in 2015, trucks in the United States were responsible for transporting 63.8 percent of total freight shipments. For 2016, the American Trucking Associations places the total even higher, at 71 percent.

In a more rational system, much of the goods carried by truck would travel aboard ships plying the country's coastal waters. In Europe, for example, 40 percent of domestic freight goes by sea. In the United States the figure is a mere 13 percent. While some of this can perhaps be explained by geographic and other factors, the enormous gulf between the two figures suggests that the Jones Act is a likely culprit.

Beyond helping to solve the country's driver shortage, the removal of trucks from the highways would have numerous other benefits. Although a mere 4 percent of highway vehicles, trucks are thought to cause 20 percent of traffic, which in turn costs Americans many billions of dollars in lost productivity, wasted gas, and increased pollution. Trucks are also responsible for a disproportionate amount of highway maintenance, with a single 80,000-pound tractor-trailer said to cause as much damage to pavement as 9,600 cars. Representing 10 percent of vehicle miles traveled, trucks cause over 75 percent of the Federal Highway Administration's pavement-maintenance costs.

Crumbling roads, meanwhile, are not only costly to repair — they are estimated to produce, annually, \$109 billion in vehicle damage borne by the nation's drivers. We need a more efficient and less costly transportation system. To help alleviate the shortage of truckers, let's start by freeing ourselves of the Jones Act and taking advantage of our country's underutilized coastal waterways.

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