

I.

Introduction

Throughout our history, America's ports and navigable waterways have been a key factor in this Nation's extraordinary growth and prosperity. Long before the railroads, long before the highways — and certainly long before air travel — navigable rivers and canals were America's first 'interstate transportation system.'

The U.S. marine transportation system (MTS) is a remarkable resource. More than 95 percent of all overseas products and materials, by volume, that enter or leave the country move through the Nation's ports and waterways. More than 2 billion metric tons of domestic and international commerce move on the water through all seasons. Further, the marine transportation system is not just a mover of freight. The waterways, ports, and intermodal connections also accommodate.⁽¹⁾

- *134 million passengers who annually travel by ferries;*
- *78 million Americans who participate in recreational boating each year;*
- *110,000 commercial fishing boats;*
- *military deployment operations; and*
- *natural resources and wildlife habitats.*

A myriad of Federal, State, and local government agencies and private sector companies are responsible for investing in and managing different parts of the MTS. Through a dynamic of competition and cooperation among the MTS users and service providers, the MTS continually adapts to the Nation's evolving transportation needs.

As this Nation moves into the 21st century, domestic and international marine trade is expected to more than double over the next 20 years. The MTS is a valuable resource that is critical to meeting this challenge. The creativity and innovation of the many MTS users and service providers, who compete and cooperate to meet the Nation's growing marine transportation needs, will forge the keys to success in this effort.

THE VALUE OF THE U.S. MARINE TRANSPORTATION SYSTEM

The United States is the world's most active trading nation, accounting for 1 billion metric tons or nearly 20 percent of the annual world oceanborne overseas trade. As international trade increases in the next two decades, the capacity of America's marine transportation system, including its infrastructure, must increase to remain competitive.⁽²⁾

Our lives and livelihoods depend on America's MTS to deliver everything, including energy, raw materials, food, and other consumer goods, to our doors — at competitive prices. The more than 300 United States public and private ports and 25,000 miles of waterways are gateways to domestic and international markets for our shipments of agricultural products, raw materials, and manufactured goods. The system encompasses a network of navigable channels, pipelines, publicly and privately owned vessels, marine terminals, intermodal connections, shipyards, vessel-repair facilities, and associated management and safety information systems. A talented, trained labor force maintains the marine transportation system.

The MTS also plays a vital role in national and global defense, even as it provides tens of millions of Americans directly and indirectly with employment and recreational pleasure. It also adds significant environmental value to the Nation as it includes and supports important natural resources and provides recreational opportunities. The MTS also plays a key role in State and local governments' economic development and job-creation efforts. Finally, the MTS provides the means by which private MTS service providers earn a profit.

Economic Value

America's oceans and navigable waterways have been and remain an essential component of this Nation's extraordinary growth and prosperity. They are vital links in the Nation's intermodal transportation system. Whether farmers or manufacturers move products in the domestic trade or overseas, or shoppers buy electronic equipment or running shoes, America's businesses depend on all-weather marine transportation to ensure that economical goods are available to U.S. citizens and to consumers around the world.

The MTS is a mainstay of our extraordinary economic growth and has enabled the United States to become the world's largest trading partner. However, many Americans are unaware of its important contributions to their lives and livelihood. For example:

- More than 95 percent of the overseas trade that comes in or out of this country moves by ship — that includes importing 9 million barrels of oil daily that help heat and power homes and businesses and fuel our vehicles.⁽³⁾
- United States ports and waterways handle more than 2 billion tons of both domestic and foreign commerce each year.⁽⁴⁾
- The waterborne cargo moving on the MTS contributes more than \$742 billion to the U.S. gross domestic product and creates employment for more than 13 million individuals.⁽⁵⁾
- Every State relies upon a national network of ports for its goods. On average, a State uses 13 to 15 ports, located throughout the country, to handle 95 percent of its import and export tons.⁽⁶⁾
- Americans spent \$19 billion in 1997 for new and used boats, accessories, and memberships in 8,000 yacht and boat clubs.
- The cruise passenger industry spent \$6.6 billion on goods and services in the United States in 1997, which generated 176,000 jobs. The total economic impact of cruise lines, passengers, and their suppliers was \$11.6 billion.
- In 1996, Americans spent \$18.1 billion on wildlife watching.
- Commercial and recreational fishing contribute more than \$111 billion to States' economies annually.

Issue: America's MTS must adapt to the changing demands of moving increasing quantities of goods and people. By the year 2020, U.S. overseas trade — approximately 95 percent of which is carried by marine transportation — is projected to more than double. No other system will be able to accommodate this growth.

National Security Value

Just as our Interstate Highway System was inaugurated in the 1950s to accommodate the swift mobilization of America's national defense, America's MTS plays a vital role in mobilizing and maintaining today's national security efforts. Whether it's Desert Storm or Operation Allied Force, America's fighting men and women depend on the marine transportation system to be their lifeline for equipment and supplies.

- 90 percent of all equipment and supplies for Desert Storm were shipped via our inland and coastal waterways from U.S. strategic ports.
- Virtually all waterborne cargoes, commercial and defense related, are intermodal in nature, which makes the vitality of our intermodal connections a significant national defense consideration.
- Commercial transportation assets decrease the cost and environmental impact of meeting military transportation requirements.

Issue: The United States fulfills its national security or global security missions through a safe and effective marine transportation system. Since the national military strategy has shifted from forward presence to force projection, security planners are placing increasing demands on marine transportation, particularly at strategic ports.

Environmental Value

Our valuable coastal and marine ecosystems in the MTS are important for commercial and recreational fishing, wildlife watching, and boating, as well as for drinking water. Therefore, it is critical that protection and enhancement of environmental quality be central to MTS activities. While public and private efforts need to be made to minimize the adverse environmental effects of MTS activities, marine transportation is an environmentally responsible method of transportation. Some important characteristics of the MTS are:

- Ships and barges have the fewest accidental spills or collisions of all forms of transportation. They routinely load and discharge millions of barrels of petroleum, tons of coal, grain, chemicals, and other essential products throughout the U.S., from Alaska to Maine.
- The MTS can provide environmentally sound transportation of people and goods, which can relieve congestion in other transportation modes, thereby reducing some negative environmental impacts, such as air pollution.
- America's waterways also transport people. Ferries increasingly provide an environmentally sound alternative to cars. The ferry systems in New York and Washington State, for example, are significant commuter links. In Puget Sound, ferries carry 23 million passengers each year; in Alaska, ferries are literally the *highways* to and from homes and businesses.

- Numerous port and waterway improvement projects, which include beneficial uses of dredged material, enhance the environment through beach nourishment, wetlands creation, and air quality mitigation. In addition, removal, treatment, and disposal of contaminated sediments from the waterways have significant environmental benefits. Many port areas also provide for public access to recreational opportunities on the waterfront and the MTS.

Issue: The health of America's precious ecosystems must be at the core of decisions affecting major investments in MTS infrastructure and operations.

Recreational Value

Americans also use the MTS for recreational and leisure purposes.

- About 78 million Americans participated in recreational boating in 1997, using 16 million boats of all types.
- Millions of Americans enjoy passenger vessels that provide sightseeing, excursion, dining, gaming, windjamming, whale watching, and nature cruises.

Issue: Americans value the MTS as a recreational resource. Shared access and use have a large impact on system operations and management.

The Challenge

Our Nation depends on its marine transportation system. It is a key element of our economic competitiveness, national security, environmental improvement, and recreation.

Secretary of Transportation Rodney Slater asked the Congressionally mandated Marine Transportation System Task Force to identify and address the issues affecting this system. The challenge is to find ways to harness the creativity and innovation of the diverse MTS users and service providers to ensure that the MTS adapts to meet the Nation's changing transportation needs. As stewards of this great system, we must work together to build a bridge to the future that ensures America's marine transportation system is technologically advanced, safe, secure, efficient, effective, accessible, globally competitive, dynamic, and environmentally responsible.