

Chapter V – Conclusions

The previous chapters have discussed why transportation is important to U.S. agriculture, the economic and service characteristics of the U.S. transportation system, and some long-term agricultural transportation challenges that must be addressed as the 21st century begins. In large part, the key message of this report is the growing importance of transportation issues to U.S. agriculture and the vital role of adequate, cost-effective transportation to such goals as increasing farm income, enhancing agricultural exports, and promoting rural economic development.

The transportation needs of U.S. agriculture are changing along with the structure of the U.S. agricultural economy. As the U.S. agricultural economy matures from one based largely on the production and marketing of raw commodities to one in which those raw commodities are increasingly processed into some different form and then marketed, different types of transportation services are required. U.S. agriculture is more interested in new shipping technologies and transportation services than it once was; and this newfound interest will be strengthened by advances in biotechnology.

The transportation system upon which U.S. agriculture is so dependent is also changing — and not for the better. Railroads are becoming fewer and fewer, raising shipper concerns about market power. U.S. agriculture is faced with the possibility that the U.S. rail system has some real long-term capacity constraints and that rationing of the available capacity may result in railroad preference for high-value shipments that produce more revenue than bulk agricultural products. Rural roadways are increasing stressed. While the long-term structure of agriculture and transportation will largely be determined by individual choices co-ordinated by the “invisible hand” of the market, there remains an important role to be played by the public sector as well. The political process will answer such questions as: “How much waterway capacity should be maintained?” and “As the rural rail network continues to shrink, how will rural roads handle the increased traffic burden?”

On top of these “megatrends” in U.S. agriculture and transportation, new U.S. farm policies increase the need for farmers to have a responsive and reliable transportation system, allowing them to seize market opportunities as they appear.

While much of the transportation infrastructure in the United States is becoming antiquated, our international competitors are improving their infrastructure and, consequently, their competitiveness in world markets. In light of the rapidly changing agricultural and transportation environment, this report should alert the agriculture community to the growing importance of such transportation issues and prompt debate about how these issues should be addressed. As the predominant users of transportation services in this nation, the prosperity of U.S. agricultural producers depends, in large part, on the future of our transportation system.