Let’s try to diagnose the disease.

● **When you’re in a hole, stop digging.** While railroad service may have been the first to break down, all modes have contributed to congestion. The overall transportation system lacks redundancy and the ability to recover from surges and interruptions.

● **Capacity is not growing quickly enough.** Carriers lack the capital (or are unwilling) to invest. Land is increasingly unavailable.

● **The network, once established, is difficult to change.** For all the talk of cargo diversion from Southern California, the local population and distribution infrastructure make it the preeminent load center. You can divert the vessels, but not the business.

● **In many modes, executives have never managed growth.** Managers who could cut the most costs earned promotion. Many problems this year have been exacerbated by this traditional management approach.

● **To some carriers, less is more.** Although shrinking business to a level that can be accommodated without mishap has restored operational equilibrium, such “strategic refocusing” eliminates new business opportunities.

● **We have blown through our infrastructure buffer.** Excess capacity generated by deregulation has accommodated growth for the past 20 years. There is no more free growth.

● **Human assets are in short supply.** Extended training lead times make it difficult to add workers quickly, and some jobs cannot attract qualified candidates due to quality-of-life concerns and increased regulatory scrutiny.

● **Proposed solutions are not enough.** To quote a frequently used metaphor, we are rearranging the deck chairs on the Titanic. For example, some ocean carriers have started discharging intermodal cargo at Oakland — after their Southern California call. This just relocates the cargo delay from the terminal to the vessel. The day-gate surcharge (adopted to head off an even more onerous legislative mandate) is proving harder to administer than previously thought, and it is unclear how much traffic will actually change.

● **Wall Street’s message is ambivalent.** Capacity shortages drive up rates and financial returns, whereas in the past, additional capacity has often caused rates to decline. Many carriers seem content to maximize current profitability rather than invest for the future. Customers, meanwhile, are unwilling to commit to a long-term relationship that reflects increased expense.

● **Supply-chain acceleration isn’t enough.** Eventually, some asset-based carrier must transport the cargo. Logistics cannot substitute for capacity.

● **We haven’t really been slammed by security yet.** As bad as things are now, consider what the surface freight transportation network will be like if it is ever used as a means of terrorism.

The disease requires tough medicine. Unfortunately, gridlock extends to Washington. TEA-21 reauthorization continues to languish, and most envisioned solutions are only a continuation of business as usual. Like most illnesses, the problems won’t be solved by ignoring them — or by treating the symptoms. Today’s peak is tomorrow’s base volume. Will we be able to handle it?

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