The conversation finally may be shifting to more serious issues, and this newer dialogue impacts the transportation and logistics industry. President Obama, speaking in Virginia on July 13, again discussed the role of the public sector in a free-market society, saying government funding of education, infrastructure and research supports businesses that fuel “this unbelievable American system that we have.”

The Romney campaign immediately cherry-picked “You didn’t build that” from the remarks and ran ads featuring outraged businessmen, including one of whom received millions of dollars in government contracts and loan guarantees.

The selection of Rep. Paul Ryan, R-Wis., as Gov. Romney’s running mate opened the door to a debate about the size — and role — of government. (It also clearly shows the paradox of Ryan’s votes for every major federal government spending increase since he was elected 12 years ago.) This debate spans a number of issues, many of which affect the transportation industry. Meanwhile, the public will decide which team is more worthy — or less unworthy.

**Infrastructure:** President Obama has repeatedly called on spending to enhance the nation’s infrastructure, generate good jobs and support other policy goals such as clean energy. Gov. Romney’s budget would cut taxes, increase military spending and generally protect entitlements. There doesn’t appear to be any money left for “discretionary” expenditures such as transportation. Lack of infrastructure funding will increase transportation costs through a combination of gridlock and more expensive alternatives.

**Privatization:** There has been significant speculation about Gov. Romney’s possible privatization of government functions, but transportation hasn’t been specifically discussed. The Obama administration has generally opposed privatizing public assets such as highways, although it has acknowledged the need for toll increases. If government funding remains elusive, a viable alternative economic model must emerge to ensure the continuation of infrastructure investment. Whether privatization merely includes the purchase of existing capacity — or just encourages the construction of new assets — is unclear.

**Trade:** Gov. Romney has declared that he would designate China a currency manipulator on his first day in office. This could lead to a global trade war with dire economic consequences — especially as China purchases more and more U.S. goods and services. Any disruptions from trade disputes would result in business loss for international and domestic transportation providers.

**Regulation:** Gov. Romney believes regulation is strangling economic growth, whereas President Obama maintains that any regulatory rollback would be devastating to consumers and workers. The transportation industry is subject to extensive regulation. In some cases — positive train control and hours-of-service, for example — the industry perceives unfunded mandates, imposed without due regard to their impact.

In other cases, such as speed governors and drug testing, the industry is divided between advocates and opponents. Antitrust oversight is another example of regulation that increasingly impacts transportation providers. Some believe Democrats prosecute too zealously; while others believe Republican enforcement is too lax.

**Labor:** Gov. Romney claims President Obama has been beholden to labor. The administration contends that protecting workers is an appropriate role of government. The prospect of card check legislation and the National Labor Relations Board’s case (subsequently dropped) against Boeing’s opening of a nonunion plant in South Carolina represent two setbacks from which the administration was never able to recover in its relationship with business.

**Energy and Environment:** These two issues are intertwined like a double helix and also relate to some of the previously mentioned issues. Policy decisions regarding coal, liquefied natural gas and renewable energy will have implications across our industry, but neither candidate seems to support uniformly favorable policies. Railroads, for example, might favor Romney’s increased extraction of coal, but they also may support Obama’s reluctance to build an extensive pipeline network.

The energy issue is further complicated by varying belief levels regarding climate change — or at least of the causes giving rise to it — and by depressed economic conditions.

Whether or not this election is “the most important in our lifetime,” it does offer clear choices on our nation’s direction and on our industry’s outcomes. The focus on real issues, I hope, will allow us to find lasting, meaningful solutions for our country and its transportation systems. Joc

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