

European Intermodal Association (EIA)

Transport and the Crisis

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Opportunities
in the Downturn

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What crisis?

For over six months the world has been talking about a crisis. But the many attempts to understand the situation only reveal a quite conspicuous sense of helplessness. Is it a financial crisis, an economic crisis, a globalisation crisis or a much deeper rooted societal crisis?

What about the environmental crises?

The climate crisis, once increasingly recognised as the biggest problem facing our society today, has now been relegated to the background. Even the cries of alarm from an overburdened transport industry have been silenced. In their place, unimaginably vast, hitherto unavailable, sums of money are being released to cope with situations, whose causes are as complex and obscure as the criteria adopted for allocating the amounts outlaid.

What is urgent? What is important?

The importance and urgency of potential dangers have to be gauged, before choosing where to intervene. The problem arises when the need for a swift response to an immediate danger makes it harder, if not impossible, to deal with a more serious disaster that must be addressed on a longer term basis. For, measured on a cosmological scale, even the so-called environmental crisis is of minor importance. We all know that neither man nor the earth will last for ever; in all probability mankind will be wiped out by a meteorite within the next 10 to 20 million years. Despite this we are bent on ensuring its survival, if only that of our families and their immediate, and perhaps even less immediate, offspring. We consider ourselves responsible for maintaining the human race for reasons based on religious philosophy or social evolution and it is this feeling of responsibility that obliges us to ward off any dangers that may loom.

The future

It is not easy to foresee the future and the exercise is fraught with uncertainties. Some well-known "futurologists" have at times been surprisingly right in their predictions but they have equally often been amazingly wrong. Scientific instruments are increasingly able to provide us with more robust predictions, provided that those concerned - scientists and politicians - respect the ethics of their profession and do not let themselves be influenced by outside interests.

Decision-making bases

Science, which is supposed to be neutral and objective, cannot prevent individual ideologies from strongly colouring any analysis of economic and social relationships and developments. The neoclassical economic theory of *Homo oeconomicus* ("Economic man"), a person who weighs up the benefits when making decisions, is pure fiction. It may be useful in helping to understand certain basic economic links. But to help mankind know how best to proceed, it is crucial to have an unadulterated system of values.

After the crisis: the mixture as before?

Most of the attempts made to date to explain the current so-called crisis have been purely economic, generally of the systematic and mechanical kind.¹ The crisis is essentially reduced to its financial dimension, given that it is clearly the mistakes made in financial circles that are behind the negative trend (e.g.: sub-prime phenomenon, phantom money unrelated to the real economy). Putting things to rights, in other words bringing the system back on track, is seen as the solution, on the simplistic assumption that it will be possible to pick up development where it left off, return to former growth being as the only goal.

Growth – in what proportions?

This is, in itself, the heart of the problem. Growth is measured on a purely quantitative basis. Factors such as quality of life and its sustainability are left totally out of the equation. An attempt by the Club of Rome to rectify this state of affairs made little inroads. Since then, however, the climatologists have made even more dramatically menacing and gloomy discoveries. The unbridled growth of the world's population alone will force economic production upwards, with the result that it will be increasingly difficult, yet even more vital, to attain the conditions necessary for an environmentally-friendly lifestyle.

The transport sector dilemma

The transport sector is faced with the dilemma of improving its environmental performance while coping with growing volumes of freight. Before the "crisis", capacity was already stretched to the limits and beyond in some cases. The drop in traffic due to the crisis has given the sector some breathing space, a chance to prepare the system for the demands it will have to face in the near future by targeting its investment to allow for ecological concerns.

A return to microeconomic considerations?

At the moment, there are signs that behaviour motivated solely by quantity factors will drive *Homo oeconomicus* to abandon ecological considerations. With the slump in demand, lower energy prices, etc., micro-economic calculations could present the danger of allowing current chances go to waste. By contrast, investment in future-oriented technologies could provide economic stimulus, in other words boost growth and, at the same time, obviate the much more serious and possibly even definitive crisis lurking behind the one affecting us today. Experience shows that economy and finances can be repaired. But the day will come when the environment can no longer be saved. Thoughtless consumption of resources cannot be allowed to continue as before.² Nature remembers and delivers our waste back to us, even the waste we cause by interfering with evolution.

The right approaches

The various possible ways and means have often been described and will only be mentioned briefly here as a reminder

- Suitable infrastructure development (Trans-European "green" freight corridors; development of multimodal terminals as a precondition for developing intermodal traffic).
- Development and promotion of "green" technologies (energy savings, reduction of greenhouse gases).
- Intensive use of IT (control of traffic flows; application of Galileo; IT throughout the transport chain; RFID; electronic consignment notes and standard freight document for intermodal transport; "e-freight").

- Socially responsible location of home and workplace to capitalise on time, space and resources.
- Proper political control by setting the basic conditions (standards, taxes, prices) to enable political targets to be attained.

The strategies established in the many conferences, round tables, think tanks, projects and studies already exist. The EU White Paper on 2010 in its 2006 revised version indicated the direction to be followed. But actual applications lack substance.

Since its foundation, the EIA (European Intermodal Association) has taken steps to promote rational transport policy and has, in particular, advocated intermodal cooperation as one sensible approach. Through EIRAC (European Intermodal Research Advisory Council), a body co-founded with other associations, it is working to encourage greater application of innovative solutions as part of the EU research programmes. The industry has made a noticeable start in using the "carbon footprint" argument as a vital criterion in competition.

Critical political intervention

The fundamental task for those in positions of political authority today is that of convincing the public of the need to adopt the approach judged to be correct and carrying it through to a successful conclusion. The example of US President Obama suggests that this is possible. Leadership should be neither cynical nor naïve but convey the real need for lifestyle change³: "Yes we can".

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Endnotes:

1. See Robert J. Shiller "The sub-prime solution".
2. See "The tragedy of the commons" in Chapter 6 of "Globalisation's positive power", Joseph Stiglitz, January 2008.
3. "You must change your life" (title of a book by the philosopher Peter Sloterdijk published in March 2009 and sub-titled "On anthropotechnology").