

See intructions



Intermodal Transportation in the US and EU Intermodal Transportation in the US and EU There have been both positive and negative implications of regulation and deregulation on intermodal transpiration in the United States and European Union. Regulations affect intermodal transportation in both countries in both adverse and helpful ways. Regulations support the advancement and sustenance of a competitive sector through statutes (Woxenius and Barthel, 2008). Regulations in the United States and EU use statutes to enhance a competitive setting in the intermodal transport through statutes that control the way industry players conduct their businesses in relation to other players. More specifically, the United States ISTEA (Intermodal Surface Transportation Efficiency Act) positively affected intermodal transportation. Enacted in 1991, the legislation supported intermodal carriers by noting high priority corridors across the country considered essential for improving the efficiency of transport (Konings, Priemus, and Nijkamp, 2008).

Deregulation in the United States paved way for the movement of products as benchmarks for health and security. The United States and EU can only enact some regulation statues at various levels through courses of action that assist in securing the intermodal transportation sectors. This deregulation calls for modifications in logistics as seen with the 1980 Motor Carrier Act (Konings et al., 2008). Once approved, this regulation allowed new trucking carriers to spring up since the intermodal transpiration sector was secure for investment. This legislation was considered largely a deregulation of the trucking sector that saw a significant decline in the cost of stocking and sustaining inventories. Further research showed that this partial deregulation led to the expansion and continued growth of the United

States' trucking industry.

Regulation also fosters current competition among transporters by removing price fixing. This implication is arguably positive since different carriers from the United States and EU would view it otherwise. Most EU carriers are obligatory supporters of the stronger position or new carrier of this effect of regulation (Woxenius and Barthel, 2008). On the other hand, United States carriers do not support stronger positions or new industry players incumbently. Approaches to safeguard the competitive setting of the intermodal industry are often part of this type of regulation and often only new market entrants find it advantageous. This advantage arises from the regulation's decrease of potential obstacles to entering the intermodal transportation market and shielding industry players from the potential influence of the mandatory supplier. As a result, this implication becomes negative for longtime industry players. Competition is healthy for any industry since it stimulates creativity as players search for new ways to compete and meet consumer or rival product standards (Konings et al., 2008).

In the EU, the Green and White Papers of the European Commission oversaw the implementation of deregulatory environmental policies in the intermodal transportation sector in 1995. The commission saw the privatization of modes of transport such as waterborne transport, air and road freight, and rail transport. Although the privatization process is not complete, it will liberate the EU carrier system and freight network in terms of inventory, goods, and infrastructure. The deregulation of the EU inland waterway transport also made it hard for poor economic predictions and bad situation of the existing infrastructure (Woxenius and Barthel, 2008).

## References

Konings, R., Priemus, H., and Nijkamp, P., eds. (2008). *Future of Intermodal Freight Transport: Operations, Design and Policy*. Northampton, MA, USA: Edward Elgar Publishing, 2008. ProQuest ebrary. Web. 19 March 2015.

Woxenius, J. and Barthel, F. (2008). *Intermodal Road-Rail Transport in the European Union*. Northampton, MA, USA: Edward Elgar Publishing.