



Weighing the Future of High-Speed Rail in America

By C. Kenneth Orski
Editor/Publisher Innovation NewsBriefs

It's a familiar Washington scenario: a major new federal grant program is launched and soon a brand new constituency is born with an army of supplicants and lobbyists eager to secure a piece of the action. The Administration's high-speed rail initiative has been no exception. The initiative has spawned a large and enthusiastic following. Two regional coalitions — the Midwest High Speed Rail Coalition (IL,WI,IO,MN, MS,MI,IN, OH) and the Western High-Speed Rail Alliance (AZ,CO,NV,UT)— have sprung up to claim a share of the pie. Also in the running are several statewide rail corridors including California, the sole state with a high-speed rail project that has already secured partial financing through a state bond measure. Cheering on the sidelines is the newly formed One Rail Coalition which includes many of the established rail-oriented lobbies such as the Associations of American Railroads (AAR), the National Association of Railroad Passengers (NARP), the American Public Transportation Association (APTA) and the Railway Supply Institute.

Other members of the new constituency include foreign high-speed rail operators and equipment manufacturers; domestic engineering and construction industry which is eyeing the program as a potential source of hundreds of millions of dollars in planning, design and construction contracts; the green lobby; and just plain old railroad enthusiasts. They were all in evidence at the September 22-23 conference of the U.S. High Speed Rail Association—a new membership organization established specifically to "advocate, educate and support the development of a state-of-the-art national high speed rail network across America."

What brought these disparate interests together was the lure of big money. The Administration has seeded its high-speed initiative with an unprecedented \$8 billion contribution from its economic stimulus program. The prize is particularly attractive because the dollars will flow directly to the recipients without requiring a local match. The high-speed initiative will benefit from an additional \$5 billion in annual appropriations over the next five years. Optimists also point to the \$50 billion set aside for high speed rail in the House surface transportation reauthorization proposal.

But the new constituency is far from being of one mind when it comes to deciding what the program is meant to accomplish and how the money should be spent. Three different views of the high-speed rail future in America have emerged over the last several months.

1. The Grand Vision

Advocates of the Grand Vision conjure up a national High-Speed Rail network spanning the continent coast-to-coast. High-speed rail, in their view, is the next logical progression in the evolution of the nation's transportation infrastructure, that began with the Erie Canal, continued with the transcontinental railroad and culminated in the Interstate Highway program. They cite the creation of the European-wide network of high speed lines and the impressive progress in high speed railroading in Japan, China, South Korea and Taiwan as examples of what can be achieved in a relatively short span of 40 years when backed by a political will. Those results are indeed impressive. A total of 43 high-speed lines are currently in operation in Europe and Asia with a total of 10,700 km (6,687 miles) ("World Speed Survey, 2009," *Railway Gazette International*, October 2009).

The Grand Vision found its extreme expression at the recent High Speed Rail Conference. Its sponsors, the newly organized U.S. High Speed Rail Association, envision an aggressive 20-year \$600 billion construction program

involving dedicated track, advanced control systems and 220 mph trains. The 17,000-mile national network would be built in four phases and completed by 2030. The first 5-year phase would see regional high-speed corridors completed in California, Texas, Florida, the Midwest, the Northwest and the Southeast. By 2020, the individual regional corridors in the East and the Midwest would be interconnected, and by 2030 those, in turn, would be merged with the western corridors into a continent-spanning system of high-speed rail lines. The map depicting the built-out system shows a dense network of rail lines connecting major urban centers across the country. The map is reminiscent of the map used by the Eisenhower Administration to sell the Interstate Highway program. (By contrast, a map published by the Federal Railroad Administration titled "Vision for High-Speed Rail in America" shows a more modest system of ten regional high-speed rail corridors but no long-distance coast-to-coast connections.)

It is hard to take the High-Speed Rail Association's proposal seriously. A \$600 billion rail program over 20 years (average of \$30 billion/year) defies any realistic expectations. So does a 17,000 mile network of dedicated high-speed track, a large portion of which would be vastly underutilized. The plan can at best be seen as a symbol of the rail advocates' aspirations. A realistic strategy that could be sold to the Congress and the American people it is not.

2. Focusing Investment on a Few High-Profile Projects

Rep. Corrine Brown (D-FL) Chairman of the House Railroads, Pipelines and Hazardous Materials Subcommittee, is a spokesman for this point of view. During a recent hearing on high-speed rail, she urged Joseph Szabo, Administrator of the Federal Railroad Administration, to fund only a few major projects where demand is the greatest. "The FRA should choose two or three systems that will truly work" she said. "If we spread the money around in too many systems, the money will not work the way it's supposed to." Her colleagues agreed. Said Bill Shuster (R-PA): "If the funds are spread too thinly among the \$57 billion worth of applications and awarded to too many places, I fear it may end up failing to focus on the development of a few key high-speed lines" "We have to look at the corridors that deserve service," echoed John Mica (R-FL).

But choosing only the most promising — and logical— candidates, such as the California High Speed Rail Corridor and the Northeast Corridor, could alienate lawmakers from other states whose votes would be necessary to sustain the program over the long term. Expectations concerning the program run high in many parts of the country. The Federal Railroad Administration has received 45 applications from 24 states for a total of \$50 billion (another 214 requests for \$7 billion came in for smaller projects). Is it politically realistic to single out only two or three or even five requests out of a total of 45 applications? It's a question that FRA officials must be asking themselves as they prepare to face congressional panels early next year.

3. Upgrading Existing Rail Corridors

Not surprisingly, many congressional lawmakers who will play a role in deciding how the high-speed rail money is allocated seem to share a third point of view. They see benefit to spreading the money among multiple rail corridors even though the projects in question may not qualify strictly speaking as "high-speed." Rep. John Olver (D-MA), chairman of the House transportation appropriations subcommittee, for example, thinks that the \$9 billion should fund upgrades to existing rail corridors rather than new dedicated high-speed lines. This also seems to be the position of the Administration. U.S. DOT officials already have said that a portion of the money will go to upgrading existing freight lines that carry passenger trains. Since nearly all of Amtrak's passenger trains now run on rail lines owned by freight railroads, such improvements will also benefit passenger traffic, goes the argument. While the program is ostensibly dedicated to improving intercity passenger rail service, the freight railroads could thus end up as a major beneficiary of the federal high-speed program.

The need to lower expectations is supported by fiscal realities. True high-speed rail service (i.e. top speeds of 150 mph or higher) would require separating freight and passenger traffic and that means building entirely new rail infrastructure in separate rights-of-way— something that is clearly not within the scope of an \$8 billion program. The final price tag for California's complete high-speed rail system could reach \$65 to \$81 billion, according to a Reason Foundation report (*Policy Study 370*). A dedicated high-speed corridor between New York and Washington would cost \$10 billion— exclusive of new right-of-way, according to former Amtrak CEO Alex Kummant. A recent Government Accountability Office report cites a range of construction costs for high-speed rail from \$22 million/mile to \$132 million/mile. Harvard economist Edward Glaeser estimates \$50 million/mile might be a plausible average ("Running the Numbers on High-Speed Trains," *Economix*, August 4, 2009). Setting one's sights on dedicated high-speed lines would make the \$9 billion look like "a drop in the bucket" in the words of Governor Rendell, a speaker at the High-Speed Conference.

Redefining "High-Speed"

A decision on allocating the \$8 billion for high-speed rail projects is not expected until early 2010. But one can already speculate on the probable outcome. The bulk of the money is likely to end up in upgrading rail infrastructure in existing corridors. That is the most cost-effective use of the money. Track and signaling improvements could raise the speed of passenger trains in the selected corridors and increase the frequency of service. To be sure, such improvements would not permit "high speed" service as the term is used in Europe and the Far East (i.e. top speeds of 150 mph and higher) unless freight-only tracks could be fitted into existing RR rights-of-way (similar to proposals to add truck-only lanes in existing highway rights-of-way). In most corridors, track and signaling upgrades on existing shared passenger/freight lines would permit raising speeds only to 90-100 mph from today's 60-80 mph, according to railroad experts.

The principal recipients of the high-speed money (and here, we confess, we are in the realm of pure speculation) could be the California High Speed line and a Chicago-based hub network linking several Midwest cities with Chicago (after all, Illinois is home to President Obama, Secretary of Transportation Ray LaHood and White House Chief of Staff Rahm Emanuel.) Other likely candidates include the Northeast Corridor, and corridors in Texas, Florida, the Southeast region, and the Pacific Northwest.

Is the momentum behind high-speed rail truly "unstoppable" as one of the conference speakers asserted? It certainly seems so in Europe and the Far East where plans call for a steadily expanding network of high-speed trains. According to the Railway Gazette International, a total of 33 new high-speed lines are under construction in Europe and Asia. They will add 9,947 km (6,217 miles) to the existing 10,700-km (6,687-mile) high-speed network by 2019.

In the United States, the future of high-speed rail is more problematical. To be sure, a strong case can be made that high-speed rail will eventually be necessary between major city-pairs separated by less than 300 miles to relieve unacceptable levels of airport and air traffic congestion (in Europe, air service between Paris and Brussels [261 km/162 miles], and between Cologne and Frankfurt [152 km/94 miles] has been totally replaced by high-speed rail service). But building a national network of dedicated high-speed rail lines from scratch will require decades of a sustained national commitment spanning many administrations. There is no assurance that future presidents and future Congresses will share President Obama's enthusiasm for high-speed rail. Whether the \$8 billion is a first down payment on a multi-generational commitment to create a national high-speed rail system, or whether it is simply a commendable policy initiative that will give way for lack of public support to other policy priorities in succeeding administrations, only the future will tell.