



HOW TO BRING BACK PASSENGER RAILROADS

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For the Valley News

THE OBAMA ADMINISTRATION is touting high-speed passenger rail, seeing it as a job stimulus and an environmentally sound alternative to the automobile. Various state and regional groups are competing for federal grants. Some winners, dividing \$8 billion, were chosen earlier this year; losers are encouraged to try again in the perhaps illusory hope that more funds will continue to be available.

But high-speed rail, while exciting and perhaps necessary in some corridors, isn't all this country needs. Underlying the administration's grant competition is an important public policy debate pitting high-speed rail enthusiasts against those who argue that the nation also needs to reinstate good, reliable passenger-rail services that do not operate on dedicated high-speed corridors.

Unfortunately, the advocates for this kind of reliable passenger rail service in secondary markets like White River Junction/New York and even White River Junction/Boston via Concord appear to be losing the debate to the dedicated-track high-speeders. Let's get real: The federal government isn't going to fund a bullet train that stops in White River Junction.

The loss of passenger services goes back to the 1970s, when current rail policy was formulated. At that time, the nation's railroads had an obligation, enforced by the Interstate Commerce Commission, to provide adequate passenger service. This obligation could be relieved only on a case-by-case, train-by-train basis if the carrier could show that continuing the particular passenger train was no longer consistent with "public convenience and necessity."

The arguments before the Interstate Commerce Commission were essentially the same: Increasingly, there were good alternatives to the passenger train, and passengers were deserting rail service for those alternatives, resulting in mounting losses for the train service in question. Those losses, in turn, led to a diminution in service, initiating a vicious cycle. The losses also jeopardized the carrier's ability to provide adequate freight service needed by the public. These losses jeopardized the very solvency of the private-sector U.S. rail system, a powerful undercurrent during a time of rolling bankruptcies (almost a third of the U.S. rail mileage was operated by trustees in bankruptcy).

The outcome of cases before the Interstate Commerce Commission was predictable. The carriers usually prevailed, and the U.S. passenger rail system broke up like chips falling off a mosaic.

Congress finally realized that it could no longer postpone weighing the needs of rail passengers against the economic needs of railroads. The issue became no less than the protection of private-sector U.S. railroads from bankruptcy — and the protection of Congress from the hard issue of railroad nationalization. Congress acted by taking down what remained of the disjointed passenger-rail system, replacing it with Amtrak. In doing so, it absolved U.S. railroads of their obligation to provide adequate passenger service.

In retrospect, it's now obvious that Amtrak was a half-hearted compromise. Woefully underfunded from the start, the truncated Amtrak system began its life as a barely tolerated mandatory tenant on the freight-owned rail infrastructure.

While passenger rail service atrophied under Amtrak, the freight-only railroads prospered. Relieved of their burden to transport passengers, and significantly deregulated, the U.S. freight rail industry restructured itself during the 1980s and 1990s. Exempted from anti-trust laws and encouraged by new ratemaking freedom, the freights entered a frenzied merger phase.

The rationalization of the freight system succeeded perhaps too well. The merging carriers concentrated their traffic on the most productive lines, while sloughing off the less efficient ones. The result has been a more economic freight rail system that is now approaching capacity. Ironically, their "success" is coming back to haunt those who backed a separation of freight and passenger services.

The freight lines now acknowledge that they need federal assistance and various public/private partnerships to meet the basic infrastructure needs imposed by the foreseeable growth in freight traffic. Consequently, the freights are competing with the would-be high speeders for federal assistance, and the regional passenger rail markets, such as the Upper Valley, are getting lost in this competition.

Today, the government is faced with parallel demands in the development of rail infrastructure. In reality, though, the demand for improved infrastructure is the same, whether one is talking about freight, high-speed rail or regional passenger lines. Except for certain metropolitan-to-metropolitan

corridors (like the Northeast Corridor linking Boston, New York and Washington), America is far too large — and its cities too widely dispersed — to consider building a hugely expensive high-speed passenger-only rail infrastructure. Prudence calls for all rail markets to share technology development and infrastructure.

The Obama administration has it right that passenger service in the United States needs to be much improved. This is the time not only for high-speed services, but also to bring back good, reliable rail passenger service like the country once had. The Amtrak experiment has gone on long enough.

But let's bring it back sensibly — not by giving the federal grants to state and regional agencies, as is

occurring now, but by giving them to the U.S. railroads themselves. The current federal grant program will only lead to the piecemeal development of passenger services and more fragmentation, which led to the creation of the Interstate Commerce Commission in the first place.

America should seize this chance to reinstate a passenger rail system with first-class regional passenger services — to help connect places like the Upper Valley — as well as build some showcase high-speed corridors. This could be accomplished by a partnership between the government and the private railroads. In exchange for federal assistance in developing improvements to the rail infrastructure, the carriers would

again assume the obligation to provide passenger service. To help them meet that obligation, Amtrak should be transferred from the government to the collective ownership and management of the U.S. railroads.

Let the U.S. railroads resume their obligation to provide first-rate passenger rail service as the price of government help in developing dual-purpose rail infrastructure. The time, indeed, has come for America's railroads to regain their pre-eminent position in both freight and passenger service.

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