

Daily Policy Digest

Federal Spending & Budget Issues

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THE COST OF RAILROADING AMERICA

Congress approved \$8 billion for President Obama's high-speed rail program without ever asking what the total cost would be, how to pay for it, or who would ride the trains. The dismal answers to these questions reveal much about American politics, says Randal O'Toole, a senior fellow with the Cato Institute and author of "High-Speed Rail: The Wrong Road for America."

Consider:

- State estimates indicate Obama's plan will cost around \$90 billion, or about \$1,000 for every federal income taxpayer.
- Since 17 states, including Arizona, aren't even in the plan, a truly national network would cost far more.

Highway users paid for interstate highways, but general taxpayers will have to pay all of the capital costs and much of the cost of operating high-speed trains. Yet the most optimistic projections are that the average American will ride Obama's high-speed trains less than 60 miles per year, says O'Toole. The main users will be the wealthy and downtown workers whose employers pay their fares -- in other words, bankers, lawyers, and government officials who hardly need our transportation subsidies.

Nor will high-speed trains be good for the environment, says O'Toole:

- Outside of California, Obama is not proposing electric-powered bullet trains but merely to boost Amtrak's Diesel-powered trains to as fast as 110 miles per hour, which means an average of 65-70 mph.
- Intercity automobiles are already as energy efficient as Amtrak, and increasing train speeds would reduce their energy efficiency and lead them to spew more pollutants and greenhouse gases into the air.

Source: Randal O'Toole, "The Cost of Railroading America," Goldwater Institute, June 25, 2009.

For text:

<http://www.goldwaterinstitute.org/AboutUs/ArticleView.aspx?id=2712>

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