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Take Passenger Trains Off Life Support

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October 19, 2018

San Francisco's brand new \$2.2 billion transit center, which was built to house the terminus of a high-speed rail line that California can't afford to build, is already falling apart. Amtrak's Boston-to-Washington corridor has \$52 billion in maintenance needs. Rail transit systems in New York, Washington, Chicago, Boston, Philadelphia, San Francisco, and Atlanta have maintenance backlogs that are approaching \$100 billion.

I've loved passenger trains ever since I was five years old. But I also know that subsidies to inefficient technologies reduce productivity and usually result in transfers from the poor to the wealthy. It's hard to admit, but it's time we take passenger rail off life support.

In 1900, rail transit and intercity trains were the high-tech industries of the day. Most urban jobs were in factories and most factories were in downtowns. Streetcars and rapid transit trains whose average speeds were about 15 miles per hour—considerably faster than the alternative, which was walking—connected residential areas with those downtowns. The downtowns also held great passenger stations for intercity travel.

While many look upon that era with nostalgia, what they forget is that, even then, passenger rail was expensive and used mainly by the elites. Working-class employees couldn't afford streetcars and generally walked to work. Intercity train travel was for the middle and upper classes. At the peak of the Golden Age of rail travel in 1920, streetcars and trains moved Americans an average of about 1,200 miles a year, which means it moved some people a lot and most hardly at all.

Today the urban landscape has dramatically changed. Downtowns hold, on average, less than 8 percent of urban jobs. Most jobs are in service industries—retail, health care, education, etc.— that are finely spread across the landscape. These jobs are not well served by infrastructure-heavy rail transit systems that are expensive to build and expensive to maintain. Urban transit speeds still average about 15 miles per hour, while driving in most urban areas is at least twice as fast.

The average American today travels more than 15,000 miles a year, mostly by automobile. Even most low-income families have access to a car, which is one reason transit ridership is steadily falling. Rail transit in particular is still used mainly by the elites, with the average income of transit commuters being considerably higher than the national average.

Amtrak fares average twice as much as airfares, and when all subsidies are counted it costs Amtrak nearly four times as much to move one person one mile as it costs the airlines. Similarly, urban transit costs more than four times as much, per passenger mile, as the average cost of driving. And contrary to popular belief, passenger rail transportation doesn't work that much better in Europe than the United States. The average European rides intercity and urban rail less than 700 miles a year, little more than half the miles that Americans traveled by rail in 1920. To get that much, European countries heavily subsidized rail and heavily taxed motor vehicle fuel, effectively suppressing total travel: The average European travels only about half as many miles each year as the average American.

Nor is there a "sweet spot" between short-distance auto/bus travel and long-distance plane travel that is optimal for passenger trains, even high-speed trains. The high cost of building and maintaining rail infrastructure is one of the reasons why many European and Asian countries have built up unsustainable debts. By comparison, highway infrastructure is relatively inexpensive and shared by both passenger and freight vehicles while air travel requires almost no infrastructure.

The past two centuries have seen remarkable transportation revolutions: steamships replaced sailing ships; railroads replaced canals; electric streetcars replaced horsecars; diesels replaced steam; and many more. The results have included lower consumer costs, increased mobility and reductions in poverty. Only for intercity passenger trains and urban rail transit has government tried to turn back the clock, spending tens of billions of tax dollars each year attempting, without success, to attract people out of faster planes and more convenient automobiles. It is time to end these and other transportation subsidies and allow passenger rail to survive only where it is truly superior to other modes of travel.

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