High Speed Rail: Fancy over Fact

By Bob Ellis on February 15th, 2011

I've written a <u>couple</u> of <u>articles</u> recently on President Barack Obama's fanciful (and expensive) idea of investing billions in high speed rail. I've written these mainly off the cuff, based on my experiences with rail travel in Europe and travel in general here in the United States.

Now Robert Samuelson at <u>Real Clear Politics</u> has come along with the hard statistics which confirm my off-the-cuff observations:

Passenger rail service inspires wishful thinking. In 1970, when Congress created Amtrak to preserve intercity passenger trains, the idea was that the system would become profitable and self-sustaining after an initial infusion of federal money. This never happened. Amtrak has already swallowed \$35 billion in subsidies, and they're increasing by more than \$1 billion annually.

Despite the subsidies, Amtrak does not provide low-cost transportation. Longtime critic Randal O'Toole of the Cato Institute recently planned a trip from Washington to New York. Noting that fares on Amtrak's high-speed Acela start at \$139 one-way, he decided to take a private bus service. The roundtrip fare: \$21.50. Nor does Amtrak do much to relieve congestion, cut oil use, reduce pollution or eliminate greenhouse gases. Its traffic volumes are simply too small to matter.

Consider. In 2010, Amtrak carried 29.1 million passengers for the entire year. That's about one-twenty-fifth of annual air travel (2010 estimate: 725 million passengers). It's also roughly a quarter of daily automobile commuters (124 million in 2008). Measured by passenger-miles traveled, Amtrak represents one-tenth of 1 percent of the national total. Rail buffs argue that subsidies for passenger service simply offset the huge government support of highways and airways. The subsidies "level the playing field." Wrong. In 2004, the Department of Transportation evaluated federal transportation subsidies for the period 1990-2002. It found passenger rail service had the highest subsidy (\$186.35 per thousand passenger-miles) followed by mass transit (\$118.26 per thousand miles). By contrast, drivers received no net subsidy; their fuel taxes more than covered federal spending. Subsidies for airline passengers were about \$5 per thousand miles traveled. (All figures are in inflation-adjusted year 2000 dollars.)

Read the <u>entire article</u> to learn why Samuelson calls Obama's high speed rail plan "a triumph of fancy over fact." Or as I put it, <u>we can't afford to pretend we're Europe</u>. There just isn't a *need* for it in the United States.

HT: Insider Online.

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