



Trains in vain: Amtrak boondoggle

By: [Brian Doherty](#) - February 6, 2013

AMTRAK, America's federally subsidized passenger rail system, manages to keep chugging along only with the help of generous taxpayer subsidies. A new study by the Cato Institute's Randal O'Toole surveys Amtrak's 40 years of subsidized semi-success and concludes that the government should abandon the tarnished romance of the rails.

Amtrak, O'Toole reports, is the most expensive way to get from city to city, costing twice as much per passenger mile as airplanes. And it's hardly used: The average American travels just 20 miles per year on Amtrak, as opposed to 15,000 miles a year by car. O'Toole notes that Amtrak benefits from "per-passenger subsidies" that are "nearly nine times as much as subsidies to airlines, and more than 20 times as much as subsidies to driving."

Amtrak, ostensibly a corporation and not a government agency, gets a third to a half of its revenue from government. The company's own 2012 figures indicate that it swallowed \$1.4 billion in federal money for capital and operating costs and debt service. Only three of its dozens of routes turn a profit.

Contracting out some of Amtrak's services could save big money. O'Toole recommends privatization, concluding that rail transportation can be economically viable only if politics is removed from decisions about where trains run and how often.