Congressmen Admit, U.S. 'Post-Industrial' Economy Can't Build High-Speed Rail

by Mary Jane Freeman

A stark irony confronts the U.S. Congress. Lyndon LaRouche posits that the next 50 years requires an alliance of the United States, China, Russia, and India, vectored on great infrastructure projects, particularly high-speed rail corridors to foster growth. Yet while Congress gives ear to carbon emission blather which demands a further shutdown of U.S. industry, it also finds itself in the ridiculous position of having to bring experts in from Europe and Asia to discuss how to build the high-speed rail networks that America no longer has the industry and know-how to produce. For 30 years, Congress has abandoned the Abraham Lincoln-precedent of railroad building to foster economic growth.

This irony was writ large at an April 19 hearing of the House Transportation and Infrastructure Committee's Railroads subcommittee, which brought high-speed rail (HSR) experts from France, Spain, Japan, and China to tell us of their 30 years of success in building HSR networks, and their plans for the 21st Century.

True high-speed rail is defined as trains that travel 150 mph or faster, and are propelled by electricity. In the United States only one route is electrified, and can, but rarely does, travel at 150 mph.

It was two U.S. scientists who first invented the fastest rail transport known to man—magnetic levitation rail technology—yet it was Germany, Japan, and China that mustered the scientists, engineers, business leaders, and government resources to build maglev technology and tracks. Only China has a commercial maglev line, from Shanghai to its airport. A few U.S. maglev projects remain on the drawing boards, but each languishes for want of Federal funding. At the same time, more than 20 U.S. states have active plans for HSR corridor development, but they too lack Federal support.

Rep. James Oberstar (D-Minn.), chairman of the full Transportation and Infrastructure Committee, has reinitiated the debate to bring the country into the 21st Century with high-speed rail-corridor development. This effort comes not a moment too soon. World headlines are featuring national debates and/or announcements of building maglev routes, while Russia hosted an international conference on April 24 to launch a drive to build the crucial link—a tunnel under the Bering Strait—to realize the late-19th-Century dream to build a "railway around the world." (See last week's *EIR*.)

The irony is not lost on most people. *New York Times* reporter Paul Finney wrote on April 24, "On overseas trips,

many American business travelers do what is almost unthinkable back home: they take a train. And they board in increasing numbers, as high-speed rail service expands in Europe, China, and Japan."

'We Are the Caboose'

Railroad subcommittee chair Rep. Corrine Brown (D-Fla.) opened the April 19 hearing by stating that the United States, unlike countries in Europe and Asia where HSR is flourishing, has failed to make it a "top priority" and to provide public funds. Brown contrasted Japan's "bullet trains," which travel at 186 mph, to America's only HSR line, Amtrak's Acela on the Northeast Corridor between Boston and Washington, D.C., which, while able to travel 150 mph, "averages about 82 mph below New York and 66 mph above New York." Calling on the witnesses to give advice on how to "jump-start" an HSR program here, she said, "We are the caboose" on the high-speed train.

The panel of witnesses who testified at the hearing on "International High-Speed Rail Systems," presented maps, charts, and graphs showing their progress over the past 30 years, and plans for the next 20. The director of HSR from the Europe-based International Railway Association told the committee that Europe's HSR began in 1981 with France's Paris-to-Lyons 300-mile line. Today Europe has 3,034 miles of HSR in operation, and is scheduled to bring on line 1,711 more miles by 2010. The highest travel speed in commercial use is 186 mph on France's TGV (Train à Grande Vitesse). A TGV official who testified noted that it operates 932 miles of Europe's HSR network, and continent-wide plans are to nearly double overall HSR track-miles, from 3,034 to 5,000, by 2020. Research and development on new technologies for track, train controls, and train sets are an integral part of each country's program, the TGV official said, noting the TGV had set a new world record for steel-on-steel trains by traveling 350 mph on April 3.

Other Congressmen shared Brown's view. Representative Oberstar, said, "We have regressed instead of progressed" in this country, from where we were 50 years ago. "Then, I took a train from Minneapolis to Chicago. Four hundred miles in 400 minutes. That was 50 years ago! You can't do that today," as the service doesn't exist. "In the aftermath of World War II," he said, France was devastated, as was much of Europe. "Under the Marshall Plan we were produc-

EIR May 11, 2007 Economics 55

Midwest Regional Rail Chicago Hub

Empire Corridor

Keystone Corridor

Northeast
Corridor

Ohio & Lake Erie
Regional Rail -

Ohio Hub

FIGURE 1
Regional Rail Corridors From the Atlantic to the Mississippi

Source: Ohio Department of Transportation.

ing and shipping 1,000 rail locomotives a year to France" and other countries. French President Charles de Gaulle in 1967 called for a study on high-speed rail, as he contemplated rebuilding his nation, Oberstar recounted. When the study came back, nay-sayers claiming it was too expensive, but de Gaulle asked: "Is there any other country that has it?" When told 'no,' he said then France would be the first. Oberstar, who has a vast knowledge of rail history, noted France's high-speed route from Paris to Lyons had 500,000 passengers in 1989, and today it has 5 million.

Rep. Bill Shuster (R-Pa.) was the only one who called for the U.S. to advance its HSR development with magnetically levitated rail. He reported that Pennsylvania's Keystone Corridor, between Harrisburg and Philadelphia, had just been reelectrified, allowing trains to travel at 110 mph; and in just six months, ridership has grown beyond expectations. But, we need to "jump to maglev. Transrapid has just completed further work on the proposed Pittsburgh maglev project. We are ready to move if there is funding for it."

The nay-sayer of the day was Transportation Committee Ranking Member Rep. John Mica (R-Fla.), who used his opening statement to denigrate all Amtrak operations, including its Acela service, and argue for British-style privatized rail systems. Mica is already on the hot seat among constituents for Amtrak's forced cut of its cross-peninsula Jackson-ville-to-Dade City service three years ago.

Oberstar also keyed in on the crucial problem: "political will," as he insisted that we do what we used to do: Invest for the public interest with public funds for the public good. Citing a 2005 European Union study, he told the hearing, "In 2003 alone, France invested \$10.6 billion in its rail system," while investment was at \$12.4 billion in Germany, and over \$1 billion each in Sweden, Spain, and Denmark.

At a related hearing five days later before a different subcommittee, which discussed the destruction of the U.S. manufacturing base and the fact that we no longer produce rail cars and have only one company making heavy buses, the Minnesota Democrat contrasted U.S. and Chinese investment levels. "China is investing in their future. The country with the highest output of steel" in 1979 was the United States, with 129 million tons of raw steel output. In 2006, "China's raw steel output was 450 million tons." China "is investing \$1 trillion" in infrastructure, and it's time for the U.S. to do the same, Oberstar said. Federal funding has been the limiting factor in states where HSR plans exist.

For example, take a look at the Midwest Regional Rail System (MWRRS) initiative. It is a nine-state, 3,000-mile Chicago-hubbed rail network project for faster, more frequent rail service. The plan will "create 57,450 new jobs, provide just over \$1 billion in extra household income across the nine-state region, and provide \$4.9 billion" in increased property values leading to "joint development potential for the 102

56 Economics EIR May 11, 2007

cities," according to its economic impact study released on April 18. The study also estimates the MWRRS "could generate \$23.1 billion" from various user benefits "during the first 40-years of the project." The nine states are Illinois, Indiana, Iowa, Michigan, Minnesota, Missouri, Nebraska, Ohio, and Wisconsin. (See map.)

These states have put millions of dollars into the project since its inception in 1996, and but for want of Federal funds, large portions of it could have been built by now. The states have upgraded track, equipment, stations, and multi-modal connections in order to ensure train speeds up to 110 mph. While not true high-speed routes, the project is a critical building block for near-term HSR development. These improvements will make the service competitive with air and car travel for trips of 500 miles or less. When completed, the MWRRS will serve 90% of its nine-state population.

The California High-Speed Rail Authority (CaHSR), also set up in 1996, is for true high-speed rail service. CaHSR's motto is, "Fly California without ever leaving the ground." It would build a 700-mile north-south rail network to travel at 200-300 mph, modeled on the Japanese bullet train. The \$33 billion, 15-year project expects 68 million passengers by 2020, and expects to reap \$2 for every public dollar spent. It would drastically reduce congestion and travel times between cities, spur economic development, and create over 450,000 permanent jobs. But as with the other state projects, CaHSR, starved for Federal funds and targeted by Gov. Arnold Schwarzenegger (R), is exploring a public-private-partner-ship funding model to attempt to save the project.

Funds for Amtrak

A critical Federal bill, S. 294, passed by unanimous vote on April 25 in the U.S. Senate Commerce, Science, and Transportation Committee could help a few of these projects. The Passenger Rail Investment and Improvement Act of 2007, cosponsored by Senators Frank Lautenberg (D-N.J.) and Trent Lott (R-Miss.), reauthorizes funds for Amtrak and provides Federal grants for state rail corridor development over six years. But fundamentally Congress must buck the 30-year paradigm shift into greenie deindustrialization and, instead, adopt an FDR-style great infrastructure paradigm.

LaRouche, speaking on April 7, 2005—at the first signs of Wall Street and City of London bankers' intentions to bankrupt the U.S. auto industry—proposed just such an alternative, an FDR-modelled retooling for auto: "You want to produce a railway system? Let's save Amtrak. Let's go beyond Amtrak. Let's get the funding back for Amtrak—now, what do we want to do with Amtrak? Just keep it happy? No! We have to rebuild the transportation system of the United States. That means fast-rail in local areas. . . . We have to do it. How are we going to do it? Where are you going to get the locomotives? Where are you going to get the steel? . . . Who can produce locomotives? The General Motors technology people can produce locomotives."

EIR May 11, 2007 Economics 57