

Fight for National Rail Development Escalates

by Mary Jane Freeman

In a fit of flight-forward arrogance on Nov. 9, the Bush-appointed Amtrak board of directors fired David Gunn, its president, for his opposition to George W. Bush's "kill Amtrak" plans. This desperate move came only six days after the Senate voted 93-6 on Nov. 3, to fully fund Amtrak and set a new U.S. agenda for passenger rail. That vote did exactly what Lyndon LaRouche had called for in July: Pass the Lott-Lautenberg rail plan with a "veto-proof majority."

Sen. Charles Schumer (D-N.Y.), denounced Gunn's firing, charging that it will "decapitate" Amtrak and deliver a "crushing blow" to its future. Amtrak board chairman David Laney said the dismissal was needed to "intensify the pace and scope of reforms, . . . aggressively tackle [Amtrak's] financial, management and operational challenges," and "bring fundamental change to Amtrak"—all sophist euphemisms for *privatizing* the railroad.

Dismantling and privatizing Amtrak—the explicit intention of Bush and Transportation Secretary Norman Mineta since they proposed a zero-funds FY 2006 budget—was opposed by many, including Gunn. "The goal is to destroy Amtrak," he charged in August, after both the Senate and House passed bills to fund Amtrak, but the White House threatened to veto. As Gunn continued to lobby for full funding, he remarked that because he was "outspoken," he expected to be "replaced by a political person." In late September, when the same board secretly voted to create a private consortium to take over running Amtrak's Northeast Corridor rail network, Gunn opposed them.

Senate Rejects Bush, Says Nation Needs Rail

The Nov. 3 Senate vote was on what was known as the Lott-Lautenberg amendment, S. 2360, to the Deficit Reduction Omnibus Reconciliation Act of 2005, S. 1932 (which itself passed, 52-47). It incorporated bill S. 1516, called the Passenger Rail Investment and Improvement Act of 2005, a bipartisan initiative, introduced in July by Senators Trent Lott (R-Miss.) and Frank Lautenberg (D-N.J.). That bill had passed the relevant committees and was awaiting a full Senate debate and vote, when the two Senators filed it as an amendment to the deficit bill.

"This is an important step to securing long-term funding for our nation's passenger rail system. [Thanks] to the 93 members of the Senate who voted in favor of this important

legislation. They have shown that there is wide bipartisan support for Amtrak, and stood up against the Bush Administration, which is determined to bankrupt the carrier," said Don Hahs, national president of the Teamsters-affiliated Brotherhood of Locomotive Engineers and Trainmen.

Key provisions of the Lott-Lautenberg amendment S. 2360, include: 1) six-year funding of Amtrak's operations and investment in its infrastructure, 2) restructuring of Amtrak's debt by the U.S. Treasury, and 3) setting up an 80/20 Federal/State grant program for states' passenger rail capital projects. The six-year funding, at \$1.9 billion a year, would increase Amtrak's capital subsidy, as its operating subsidy would shrink by 40%. The Federal/State grants, at \$13 billion over ten years, would "develop a long-range national rail plan that is consistent with approved State rail plans and the rail needs of the Nation, . . . in order to promote an integrated, cohesive, efficient, and optimized national rail system." In July, when the bill was first introduced, LaRouche called it "model legislation" which could get "a reindustrialization policy" going for the nation. On the Federal/State component he said, "This helps the states deal with their fiscal problems with infrastructure. . . ." Aware of a Bush/Mineta veto threat, LaRouche added, "We can't let it die just because the President is brain-dead."

The rail plan judos the Bush/Cheney "kill Amtrak" plan by setting a new policy for development of a national passenger rail network, including high-speed train service.

The Amtrak board's problem with David Gunn was twofold. First, he saw through the Bush/Mineta agenda. "The policy wonks and politicians have a very different vision. Zero funding, bankruptcy, and break it up," Gunn said after he was fired. Second, since 2002 when Gunn took charge, operating with austere budgets, he imposed budgetary discipline which began to reduce Amtrak's financial losses. This, in turn, gave him the ability to begin long overdue capital improvements in basic infrastructure. One smaller project, for example, was an upgrade of the 104-mile rail corridor from Philadelphia to Harrisburg. The \$145.5 million project used advanced techniques and materials, replacing wooden with concrete ties, installing continuously welded track, multiple switches, and new communications. A public-private partnership between Amtrak, the state of Pennsylvania, and Norfolk Southern Corp., was created to secure the funding. The route connects some of the state's fast-growing areas to Amtrak's Northeast Corridor.

The unleashing of a rail development plan like the Lott-Lautenberg initiative, intersects the necessity to halt the threatened shutdown of the nation's machine-tool-centered auto industry in the wake of the Delphi bankruptcy and General Motors financial losses. Retooling the auto sector, as during World War II, must be done today to build components for the nation's infrastructure, including a national rail network. It is now up to the House of Representatives to adopt Lott-Lautenberg "with a veto-proof majority."