

California Rail News

Volume 17 Number 1

Sacramento, CA

June-July 2003

Bush Out After Amtrak

UP & CSX CABINET MEMBERS GIVE AN ANTI-PASSENGER SLANT TO POLICY

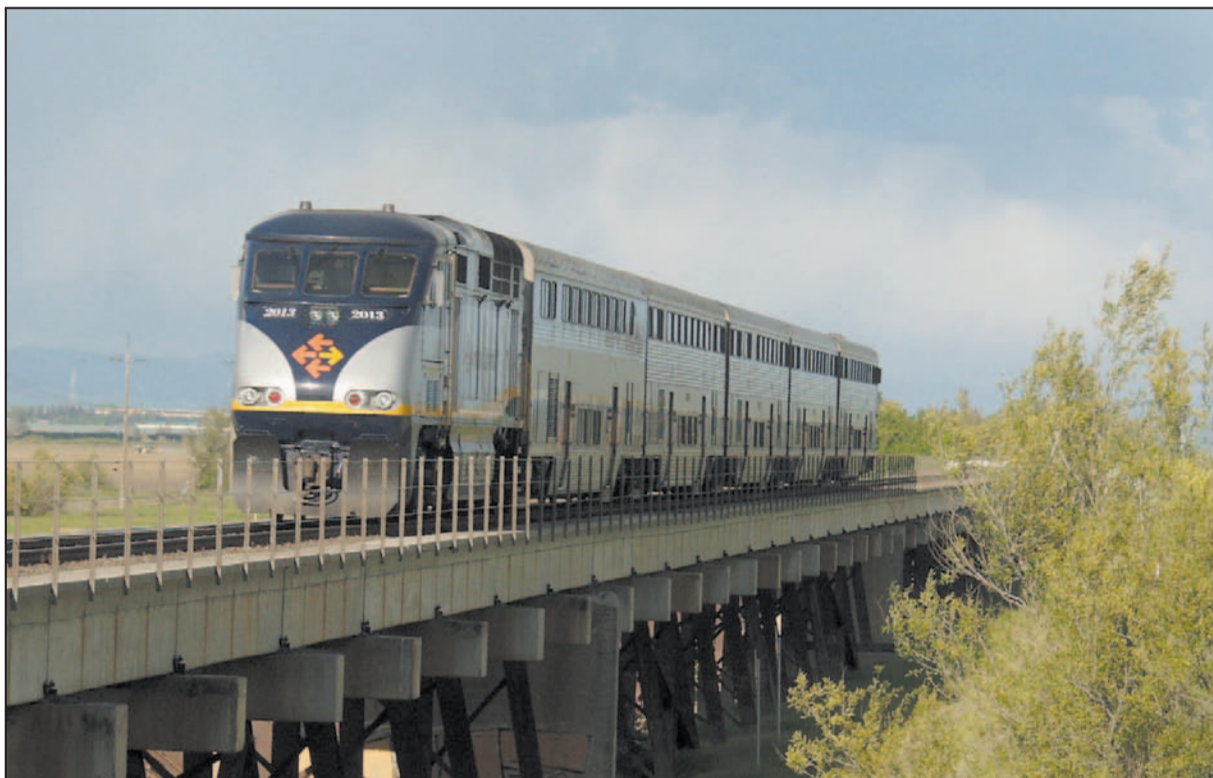
If you want to understand Bush administration politics on Amtrak, start with the fact that both Vice President Dick Cheney and White House Chief of Staff Andrew Card were on the Union Pacific Board of Directors. Add in John Snow, U.S. Treasurer fresh from the helm of anti-passenger CSX and you have three very influential voices in favor of slashing the train network.

A tight transportation funding picture this session has been compounded by the Bush administration refusal to raise or even do inflation indexing of gas taxes, so once again there is a squeeze play on Amtrak that keeps the network starved for investment.

In the longer term, there is just as much controversy about the shape of the solution. Although the administration has previously been focused on cutting Amtrak's budget, Transportation Secretary Norm Mineta was sent out to Capitol Hill with the surprising message that the administration believes in the long-term importance of intercity rail.

Deputy Secretary of Transportation Michael P. Jackson presented a draft plan, with details promised imminently, to strip Amtrak of its ownership of the Northeast corridor track, turn Amtrak private, and allow other companies to run trains on lines where Amtrak currently has exclusive rights. USDOT hinted about matching grants to states for new rail capital investments as a way to try to buy off states like New York or California that depend heavily on Amtrak. The thought that Bush advisors straight from freight railroads are pulling the strings behind the scenes makes one wonder whether the privatization idea may have something to do with handing money to the companies they came from, à la Haliburton.

Repeated assertions by the Bush administration that privatizing Amtrak is the answer are no more convincing the tenth time than the first. After all, Britain has tried privatization and discovered that subsidy costs doubled, while safety and customer satisfaction both worsened. The Bush admin-



Capitol Corridor train on the Yolo Causeway. Photo: Richard Tolmach

istration's tendency to deal in simple sound bites on other issues have made Congress progressively less willing to take the President at his word about trains. It is quite easy to see the privatization talk as just another way to strip Amtrak of its resources.

Intercity rail has demonstrated a great potential to solve traffic congestion and provide an alternative to inefficient short haul air service, but the constant shortchanging of Amtrak at budget time has kept Amtrak from having many successes to claim. The biggest problem now is that Amtrak's undersized and undermaintained fleet is unable to attract or accommodate the revenue it should. When train consists are cut because of broken cars, ridership and revenue both collapse.

Amtrak President David Gunn, famous for his rescues of Philadelphia and New York transit systems, has had only a year to turn Amtrak around. However, he already has far more credibility than the administration. Gunn has authored a five-year plan that would raise Amtrak's cost to as much as \$1.8 billion annually, but this amount would cover both Amtrak's operating deficits and replacement of key infrastructure in the Northeast

Continued on Page 2

INSIDE

PAGE 3

SUNSET & CHIEF ENDANGERED

PAGE 6

DUBIOUS RAIL ACHIEVEMENTS 2002

PAGE 7

GUNN ATTACKS AMTRAK MYTHS

TRAC
Train Riders
Association
of California

926 J Street, Suite 612
Sacramento, CA 95814

Address Correction Requested