

Profit and loss in America

Hello, everyone. I'm Phil Kumin, the editor of the newsletter of the Baltimore Area Transit Association in Baltimore, Maryland, USA, where I live.

I have been given the opportunity to contribute something to your magazine. It's my pleasure to do so.

I thought maybe you'd be interested in having an American insider's view on the longstanding effort to revive mass transit (specifically rail transit) in the USA, along with preserving a viable inter-city passenger rail system there as well.

The predicament of the disappearance of these systems for getting around dates back to the beginning of this century, when automobiles and airplanes were first invented.

America fell head over heels in love with the automobile, even if this was something which was encouraged by the myriad of industries which stood to gain financially from the proliferation of automobile usage.

Representatives of these affected industries banded together politically to form what became known as the highway lobby which then had tremendous success at convincing legislators and planners nationwide that their proposals should be adopted.

In fact, these lobbyists were so good at what they did, that they actually saw to it that the construction of an interstate highway system became a national priority. I believe it was in the



1950s that work on the building of this system was begun, and I don't believe it was until the present decade that this work was completed. I apologise for my ambiguity.

The effect that these efforts had on continued utilisation of transit systems and inter-city passenger rail, was devastating. In concert with formidable growth in the commercial air industry, people all but stopped taking trains entirely over the ensuing 40 or 50 years.

At the beginning of the century, railroad stocks were some of the best assets investors could acquire, and some of America's most legendary tycoons were railroad barons. But sadly, this was to be no more.

There's a point of good fortune involved here, however. Railroads have always been one of many historically American icons. The choo-choo's charm has perhaps never been more warmly portrayed than in the paintings of Currier and Ives.

And so, it was America's flock of train enthusiasts who came to the rescue of inter-city passenger rail.

Determined to prevent the demise of passenger rail, these supporters pressured Congress into creating a non-profit passenger rail system which would be funded primarily by federal tax dollars.

Amtrak (as it came to be known) was established in 1971, over the objections of then-president Richard M Nixon. Since then, Bill Clinton has become merely the first U.S. president not to make any effort to dismantle Amtrak.

In his case, in fact, he has publicly spoken well of it. Until now, it was always members of Congress who would not let Amtrak die, when it was under siege.

In 1994, the US House of Representatives came under the control of conservatives for the first time in at least 40 years. The US Senate has also been controlled by the conservatives since then, and it has always been the conservatives (fiscal or otherwise) who have seen Amtrak as being nothing more than a waste of taxpayer money.

They've homed in on their target since that time, and have mandated that Amtrak either become self-sufficient by the start of fiscal year 2003, or face liquidation.

Matters are now looking a little bit more optimistic in that Amtrak most likely will be able to cover its daily operating expenses exclusively through revenue by then.

Congress and the President have agreed to keep on doling out money to purchase new rolling stock when necessary. (capital funding).

The effect that the promotion of automobile usage has had on American transit systems in this century has been, of course, that beyond a certain point in time, it was no longer profitable to own and operate a transit system privately.

Please note that when I say privately, I don't mean mere privatisation. I'm talking about entrepreneurs no longer being able to operate any system without a government subsidy of any kind, as they had so lucratively been able to do before.

The quality of service provided by transit systems nationwide inevitably deteriorated. There was, however, a recognition that mass transit could not be allowed to disintegrate entirely, as there are always some people

who cannot drive a car, or who cannot afford to drive one.

In the 1970s, it then became necessary for transit systems to pass from private ownership and operation, to ownership and operation by state and local governments instead.

Unfortunately, legislatures never see the appropriation of money necessary to provide good transit service as a priority, when it is almost exclusively poor people who use mass transit. Mass transit is seen, mistakenly, as another poverty program by conservatives, and is derided as such.

There appear to be many transit advocates who, themselves, don't believe transit systems can ever again turn a profit in America and call instead for the acceptance of the possibility that mass transit will need to be subsidised, from here on in.

If these advocates are correct, it is groups such as the Baltimore Area Transit Association which must convince planners and legislators that some other criteria must be considered, when evaluating the efficacy of mass transit.

European action

RDS has been invited to meet the European Transport Commissioner Loyola de Palacio and the international committee is currently arranging the visit to Brussels.

On the agenda will be European funding for British rail projects, the threat of 68-tonne lorries, proposals for a second (road) Channel Tunnel, the Central Railway scheme, competition law, freight on light rail, restrictions on domestic travellers using Eurostar, open access, international rail ticketing and electrification.

Tickets on the web

About 11,000 inquiries a day are being made to the Virgin Trains website thetrainline.com but the company is on target to treble the number of callers by offering £1 off to anyone who books a ticket via the website.

Internet cafe at station

There is now an internet cafe at Dorridge station. It could be a good place for RDS members without an internet connection at home to check out the RDS and other railway-related information on the net. Let's have more internet cafes on stations.

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