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## Transportation Research Forum

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Book Review: [Amtrak: Past, Present, and Future](#)

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*Wilner, Frank N. Amtrak: Past, Present, and Future. Omaha: NE: Simmons Boardman Books, Inc., 2012. ISBN 9780911 382600.*

## **Amtrak: Past, Present, and Future**

by **Melvyn A. Sacks**

Frank Wilner's new book tells the story of Amtrak well. It is a sweeping and instructive story indeed.

Prior to World War II, railroads served 40 million passengers, Marquee trains like the 20th Century Limited linking New York to Chicago featured fresh cut flowers, a barber and beauty shop, elegant club cars, splendid bedrooms, and steak dinners. Railroad stations featured granite and sandstone, soaring clock towers, and arches. Meals were prepared from scratch served by impeccably dressed stewards, and after viewing the scenery in the dome car, passengers could sleep in comfortable Pullman bedrooms.

By the late 1960s with the interstate highway system largely completed and airlines becoming more attractive, private railroads were losing money on passenger service. In the 1950s, one out of every six workers in America was engaged in the automobile industry. Railroads tried to persuade the Interstate Commerce Commission to discontinue underused passenger trains. According to Peter Lyon in his book, *To Hell in a Day Coach: An Exasperated Look at American Railroads*, to make sure that passenger trains were underused, various devices were employed to discourage passengers, including engineering long delays, filthy restrooms, cabooses for passengers, and running secret trains missing from timetables. Adding to the revenue decline was the shifting of first class mail from trains to airplanes.

Railroad bankruptcies were increasing, with passenger losses a major contributor. Poor freight rail tracks hindered Amtrak with speeds as low as 15 mph on 47,000 miles of track. But public opinion was against ending national passenger service. Congress, pressed by Senator Pell (D-R.I.) and others, proposed the Rail Passenger Service Act of 1970, or Railpax, to form a government corporation and run trains under the Amtrak label, which would take over rail passenger service from the railroads. After considerable prompting President Nixon signed the legislation.

The first Amtrak president, Roger Lewis, was a poor leader and had no real interest in passenger rail, viewing this as just an ordinary paying job. But he made sure that magazines in his office were neatly in place. After Amtrak was formed, credit cards were no longer accepted, and a modern computerized reservation system would take two years to complete.

Amtrak owns no tracks, terminal yards, or repair facilities outside the Northeast corridor. In the early years of Amtrak, there were steam generators for passenger trains, incompatible electrical systems with AC and DC, and steam air conditioning on some trains. Mechanics did not know how to repair the private railroad's legacy cars. In 1972, half of the fleet was out of service, and toilets were notorious for problems. Amtrak was hindered by the private railroad's relatively poor tracks and giving priority to freight trains in violation of the Rail Passenger Service Act. Long distance trains averaged 42% on-time performance. In one week, Amtrak paid out more than \$28,000 in taxis, meals, etc. for missed connections.

The average age of Amtrak cars is 25 years old, and Amfleet cars on the Northeast corridor date from 1975. There is a shortage of dining and sleeping cars. Many Amtrak locomotives are 34 years old. The Amtrak reservation system is 30 years old and hampered with outdated technology. Bus systems have discontinued servicing many smaller cities and Amtrak is often the only transportation system available.

A more hands-on approach began when Paul Reistrup became Amtrak president in 1974. Reistrup began writing Amtrak's own specifications for lightweight high horsepower locomotives. In

2011, Amtrak reported 260,000 passengers riding auto-trains annually, with more than 40 passenger coaches. Amtrak also operated contracted commuter services. In 1991, New York City passenger operations were consolidated so passengers would need to use only one station for Amtrak trains.

Still, budget cutting by Congress forced Amtrak to cut off fresh food and install pre-plated airline type food. Interest on its debt cost Amtrak \$250 million in February 2002. Amtrak also had an express shipping business, moving perishable goods and priority mail on “roadtrailers,” which has now been discontinued.

The first higher speed train in the U.S. was the Metroliner, first run by Penn-Central in January 1969 at speeds up to 125 mph. Through the Swift Rail Development Act of 1994 it was superseded by the Acela, which entered revenue service on December 11, 2000. Acela’s top speed of 150 mph is only on a small stretch of track, and the speed averages 83 mph but can be as slow as 30 mph. Acela combines electric propulsion systems with an advanced gyroscope controlled hydraulic tilt mechanism to permit higher speeds on sharp curves in the Northeast corridor. There have been problems with stability, wheel wear, and aging catenary lines. Passenger cars were found to be four inches too wide for the tilting mechanism to operate fully. There also have been disc brake hairline fractures. Acela has averaged an on-time performance of 88%.

A break from poor management that had dogged Amtrak came when David Gunn took over as Amtrak president in 2002. He complained of poor managerial controls, with financial forecasts in disarray and poor organizational structures. Gunn made considerable improvements with Amtrak, which now provides a much more reliable service. Amtrak captures 69% of the air-rail market between Washington and New York, up from 37% in 2000. Between New York and Boston, Amtrak has 52% of the air-rail market, up from 37% in 2000. Amtrak carries more passengers in the Northeast corridor than all airlines combined. The Northeast corridor carries one million intercity and commuter passengers daily with more than 2,000 trains.

In the four decades of Amtrak’s existence, labor unions cooperated with Amtrak to lower costs, sustained no strikes, and otherwise ensured Amtrak’s existence.

Amtrak today has 20,000 employees, runs 300 intercity and commuter trains, and has 21,000 miles of track servicing 46 states, D.C., and three Canadian provinces. It transports more than 30 million passengers annually - 10 million along the 456 mile Northeast corridor. Since 2000, Amtrak ridership has grown by 44%, and ticket revenue increased by 85%, with long distance revenue increasing by 25%. In fiscal year 2012, Amtrak served a record 31.2 million passengers. Amtrak receives 76% of operating costs from ticket sales. Amtrak operates commuter trains under contract with the states.

There is no dedicated source of Amtrak funding, however, and compared with highways and airports, the subsidy is small: For the expansion of Chicago’s O’Hare airport, the federal government financed it for \$6.5 billion, and for Boston’s big dig, the federal government poured in \$8.5 billion, but for Amtrak the yearly funding was often under \$1 billion.

By comparison, high-speed rail is common in Western Europe, China, Japan, and South Korea, with speeds up to 220 mph. European and Japanese trains travel on dedicated tracks at more than twice the speed of Acela’s trains.

President Obama proposed the American Recovery and Reinvestment Act of 2009, which would fund high-speed and higher speed rail in the U.S. for \$37.6 billion and \$15.0 billion for improving Amtrak’s infrastructure and the Northeast corridor. However, Wisconsin, Ohio, and Florida cancelled the high-speed investment even though it would in many cases create thousands of high paying jobs and greatly expand commercial development. These Republican controlled states were against federal government expenditures in high-speed rail considering it not a proper role for the federal government.

High-speed rail is being considered in the U.S. 40 years after the first bullet train ran in Japan. On February 8, 2011, Vice President Biden and Transportation secretary Ray LaHood proposed a \$53 billion investment plan as part of an ambitious \$600 billion funding plan of high-speed and higher-

speed rail. This sum depended on Congress, and many conservatives are against any spending on passenger rail, especially high-speed rail. Congress eliminated high-speed rail funding for FY 2012.

But the need is there. Aging infrastructure on the Northeast corridor hampers speed. Part of the Northeast corridor was constructed prior to the civil war, and the electrified infrastructure dates from the 1930s. There are 1,400 older bridges that will cost hundreds of millions of dollars to repair. By 2030 some 3,300 trains a day will be carrying passengers through the Northeast corridor, 40% more than in 2011. But it takes enormous public investment in track, signals, and equipment for a reliable system, which cannot be recovered from fares alone. Unless funding can be found for these essential capital projects, passenger rail will be severely hampered, with congestion and costs mounting. Large amounts of public dollars built airports and highways, and funds should also be found for Amtrak.

The lack of consistent and predictable subsidies is one of Amtrak's greatest challenges, made more difficult by federal and state budget deficits. Continued reliance on short-term Congressional appropriations hinders rational planning and investment in capital infrastructure projects. Amtrak needs a \$52 billion investment in the northeast corridor to handle a projected 60% increase in intercity and commuter rail traffic. Dedicated high-speed rail would require an additional \$117 billion in construction investment.

America's dependence on cars is reinforced by a shortage of other forms of transportation. Europe and Japan spends far more than the U.S. on rail transportation, and the U.S. underdeveloped passenger rail network leads to overcrowding on American highways and airports, and unlike passenger trains, road and air travel receive large subsidies. In Europe high-speed rail is replacing air travel between many cities. In Spain, between Madrid and Seville, the share of high-speed rail in the rail-air market shifted from 33% to 84%, and similar shifts to rail occurred in other parts of Europe. The result is less congestion, and a more pleasant travel experience. Also trains, especially high-speed trains, are much more environmentally friendly compared with autos, buses, and airlines. Less energy is used and with lower emissions, including CO<sub>2</sub>, which is linked to global warming.

But in Congress, privatization became the rage. In June 2011, the House Infrastructure and Transportation Committee, dominated by Republicans, considered a proposal to dismantle Amtrak and sell the Northeast corridor to private interests, undoubtedly for subsidy reductions and to remove the federal government from passenger rail. Amtrak president Joseph Boardman, pushing back, said that privatization in Britain removed economies of scale, introduced complexities and coordination problems into the system, reduced efficiencies, and required much greater subsidies than before privatization. Periodic privatization proposals are a feature in Congress.

Congress cancelled the remaining high-speed rail funding, and no money was appropriated for high-speed passenger rail in either the FY 2011 or FY 2012 budgets, considering high-speed rail investments as wasteful and even socialistic. This funding was eliminated even as China spent over \$100 billion on 2,000 miles of high-speed rail, and large sums were spent on high-speed rail in Europe. Automobile taxes are much steeper in Europe than the U.S., according to sources, the price of gasoline averaging \$8.63 a gallon in France, of which most of the cost are taxes. The amount of taxes available for transportation infrastructure is consequently much higher in Europe than in the U.S., and this largely accounts for the fact that the U.S. spent just \$42 billion on all forms of transportation.

In conclusion, Amtrak is often the step-child of transportation, with no consistent funding, while other modes of transportation are heavily subsidized. Taxpayers have spent \$40 billion on highways, more than is spent on Amtrak in its 40-year history. Amtrak has delivered a credible transportation product under trying conditions, and would deliver excellent results if only properly funded. A viable passenger rail system should be an alternative to crowded skies and highways, and if the success of European, Chinese, and Japanese high-speed trains doesn't present an embarrassment to the once mighty transportation infrastructure of the U.S., one wonders what will.

One criticism I have of the book is that perhaps more space could have been devoted to the actions of the railroads in dropping their passenger service prior to Amtrak. Their determination to rid themselves of passenger service by making it distinctly uninviting led to severe image problems when Amtrak took over, compounded by passenger equipment in disrepair, which markedly hampered Amtrak in its formative years.

Similarly, the author would have done well to expand on other nations' high-speed rail service, how it improved transportation mobility, reduced congestion, and its positive impact on reducing global warming.

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