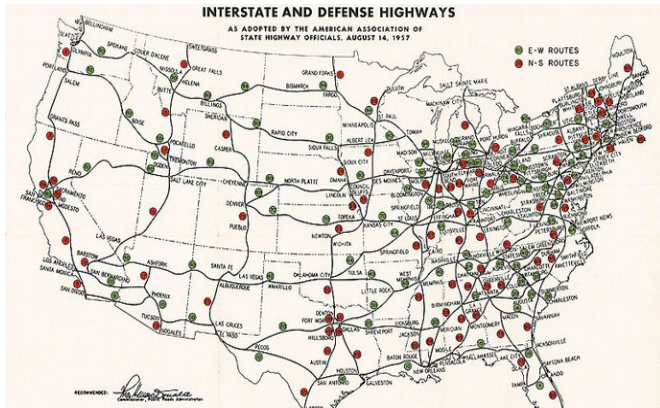


REMAPPING DEBATE

Asking "Why" and "Why Not"

Is this any way to run a railroad?

Original Reporting | By Greg Marx | Environment, Transportation, Urban Policy



The Interstate Highway System:
federally conceived and paid for

November 9, 2010 — In the wake of last week’s Republican gains, one of the pressing questions for the next Congress is the direction of federal transportation policy. While President Obama has listed infrastructure as a potential area of compromise in an era of divided government, lawmakers have been unable to come to agreement for over a year on a new surface transportation bill — largely because of a widespread unwillingness to raise the federal gas tax, which has not budged since 1993, and an inability to agree on other revenue sources. Already, some advocates are worrying about the fate of transportation funding in a GOP-controlled House.

But while the revenue problem is a central obstacle to transportation policy, there are other fundamental challenges, too. Foremost among them is the fact that for all the calls from politicians for a new national transportation network — a 21st century version of the interstate highway system or the transcontinental railroad — we have not really come to a consensus on what goals this network is supposed to achieve.

This point was made clear recently amid the fallout from the ARC tunnel episode. When New Jersey Gov. Chris Christie killed the long-planned \$8.7 billion commuter rail tunnel under the Hudson River, citing concerns about the impact of cost overruns on the strapped state budget, most of the ensuing discussion, from both supporters and opponents, focused on Christie’s decision. But the tunnel was noteworthy for another reason: it had received the largest-ever federal commitment to a public transit project. So, I asked a series of researchers, advocates, and policy wonks, was the \$3 billion the federal government had dedicated to the tunnel the “right” amount? And how could we tell?

Most — at least, most of those who supported the project — said yes, noting that the tunnel had competed for federal funds against other transit proposals, that its benefits would accrue mostly to commuters from New Jersey, and that the distribution of costs (roughly a third each to the state, the federal government, and the bi-state Port Authority) seemed fair. But Yonah Freemark, a journalist and alternative transportation advocate who writes the blog [The Transport Politic](http://TheTransportPolitic), answered differently. “I don’t

know if we have developed a strong enough set of national objectives to define what the distribution of funds should be,” he said. “Is it in the national interest to advance a tunnel underneath the Hudson? We haven’t decided that. We haven’t come to a conclusion. We don’t even have a real national rail plan that [addresses] that question.”

In other words, we can’t draw reliable conclusions about how well a given investment will advance national transportation goals, because we haven’t set those goals. That, in turn, means we can’t, in any serious way, agree on what mechanisms and institutions and funding we’ll need to meet them. There has to be a better way to run a railroad. Doesn’t there?

“You can’t build systems with spot grants”

There are, it’s true, plenty of program-specific guidelines for federal transportation policy. The Federal Transit Administration’s New Starts initiative, which provided funding for the ARC tunnel, operates, like many other grant programs of recent vintage, according to well-defined criteria. (Earlier this year, Transportation Secretary Ray LaHood [announced new “livability” goals](#) for the program, including economic development and environmental benefits, to augment Bush-era standards that focused on time savings.) Projects are weighed against competing applications, and the Department of Transportation [publishes its evaluation](#) of grant-winners online.

But these competitive, standards-oriented programs are islands afloat in a sea of policy indirection, contradiction, and path dependence. A considerable (and growing) sum is distributed through earmarks inserted by lawmakers for specific projects — many probably worthwhile, like a [proposed freight rail tunnel](#) that would link New Jersey and Brooklyn, others less so, like Alaska’s infamous “Bridge to Nowhere,” but all unconnected to any overarching objective.

The largest pot of federal transportation money, meanwhile, consists of highway grants distributed by formula to the states. This model, which arose out of the construction of the interstate system — the last serious effort to set a national vision for transportation infrastructure — perpetuates a broader policy environment that overwhelmingly favors road construction. (The federal government paid for 90 percent of the interstates, and still covers up to 80 percent of the cost of new highways. Most transit projects that win federal support, meanwhile, are funded at about 50 percent; total New Starts appropriations are less than \$2 billion annually.) For people who want to shift the balance to other modes, one obvious approach is to lobby for additional funding for favored strategies. This is, in effect, what President Obama has done in making high-speed inter-city rail one of the signature proposals of his administration, and setting aside about \$10 billion to date for selected corridors.

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In the eyes of some observers, though, this approach is insufficient. “You can’t build systems with spot grants; a discretionary grant here, a grant there,” said Jack Schenendorf, a former Republican House aide and a member of a national panel that in 2008 proposed a series of reforms. (A case in point: high-speed rail delivers the most value when connecting cities with strong mass transit systems, but existing institutions do not always facilitate coordinated investment.) The value of the interstate system, Schenendorf said — both its real value, and its value as perceived by taxpayers — was rooted in the fact that “it’s a national network. It’s not a project here and project there.”

But that network, which is now at capacity and aging rapidly, was built by laying down ribbons of asphalt over greenfield. The next network, if it gets built, will have to be more technologically, administratively, and politically complex, integrating rails and roads and bike paths and sidewalks, as well as state, local, and federal governments. But our mechanisms for making decisions and implementing projects haven’t changed accordingly. The federal Department of Transportation remains divided into what is known in transportation jargon as “modal silos” — separate agencies for highway, rail, transit, and air, and still another for highway safety.

The situation in Congress is, if anything, even more balkanized. In the House, the Transportation and Infrastructure Committee is divided into subcommittees by mode: one for highways and transit, one for railroads, one for aviation, etc. But in the Senate, mass transit is in one committee, highways are in another, and highway safety and rail are in still a third. “What happens over time,” said James RePass, president of the National Corridors Initiative, “is that the chairmen of those subcommittees become very partial to their own mode. We don’t need supporters of different modes. We need supporters of systems that work.”

Forging an alternative path

America’s vast size and system of shared authority between the federal government and the states does create unique challenges to building nationally integrated infrastructure. In Wisconsin, for example, a newly elected Republican governor [is promising to kill a high-speed rail project](#) that would be funded by the federal government. Nevertheless, the experience of other countries can be instructive. The United Kingdom, faced with a similar disconnect, has over the last few years radically reorganized its own Department for Transportation, subordinating modal divisions to a hierarchy of geographic networks: one director oversees city and regional networks, another national connections, and a third international links. Each is charged with helping to meet national performance goals, which are expressed in terms of environmental, economic, and other social benefits.

Other elements of the shift in the U.K. — including a scrupulously “mode-neutral” approach and heavy reliance on cost-benefit analysis — are controversial, and some have been tweaked as that country proceeds with its own high-speed rail initiative. But the spirit of wide-ranging institutional reform is reflected in plenty of stateside proposals. The [2008 report](#) that Schenendorf helped write recommended

the consolidation of 108 federal programs into 10, and called for the creation of a standing commission that would devise a strategic national plan (and, subject to Congressional veto, tax levels to support it). The following year, the advocacy coalition Transportation for America (T4A) released its own [blueprint](#) for reform, including a [set of objectives and performance targets](#) and a proposed [federal transportation structure](#). Legislation was [even introduced](#) that would have set T4A's objectives into law, and an [outline for a new surface transportation bill](#) released by Congressional leaders made progress toward streamlining the U.S.'s byzantine system (though some of its provisions, like a new Undersecretary of Intermodalism who would sit atop the department's silos, were, as one advocate put it, comparatively "feeble" solutions).

As the surface transportation bill stalled and economic concerns moved to the forefront, the issue of structural reform receded. (The stimulus bill, which by design worked through existing programs, if anything entrenched the current way of doing business.) Some sort of reform, though, now seems likely: consolidation of haphazard and duplicative programs has become part of the president's [stump speech on infrastructure](#), and the Department of Transportation is talking about making greater use of competitive grants. Meanwhile, supporters of an "infrastructure bank," which include [the White House](#), argue that, in addition to attracting private investment, it would create a mechanism "to make decisions based on merit, quantitative evidence, and empirics, as opposed to pork and politics," said Robert Puentes, a senior fellow at The Brookings Institution's Metropolitan Policy Program.

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There's some disagreement, though, about just what these reforms will accomplish. For example, skeptics caution that while the bank may have merit, it will probably support only certain types of projects, and thus cannot, by itself, provide a coherent vision. If we truly want to conceive a new national network, said Freemark, "what we really need is a Congressional agreement about what the goals of the national transportation project are."

It's not clear whether such an agreement is in sight, or even how hard the next Congress will try to achieve it. (Rep. John Mica, a Florida Republican who is the likely future chairman of the House transportation committee, and who supported last year's draft bill, did not respond to questions for this story.) The current system, of course, holds advantages for many participants — a congressman who knows how to operate in a "pork and politics" regime doesn't have much incentive to help put a more technocratic approach in place.

The deeper obstacle, of course, is this: agreeing that a coherent approach organized around comprehensive goals would have benefits is very different from agreeing about what those goals should be. Many reformers today want to steer federal investment toward existing economic centers. Robert Yaro, president of the Regional Plan Association and co-chair of America 2050, noted that the first proposals

for an interstate system, in the 1930s, did the same thing, but it wasn't until Eisenhower put forward a plan with more widely distributed benefits that — two decades later — the project ultimately moved forward. (Freemark, asked for his views on the U.K. model, summed up the challenge another way: “Here’s the question,” he said. “Whose goals are we prioritizing? I have no problem with the idea of developing a multi-modal approach based on comprehensive goals — as long as those goals align with mine.”) And that leaves aside the related issue of how deeply the federal government should be involved in implementing any vision it sets out — a question with important implications for how costs are shared.

In other words, finding a path to reform would be difficult. “But going to the moon was difficult too,” Re-Pass said. “That doesn’t mean you don’t do it.” Or, to tweak an old line: you’ve got to be careful if you don’t know where you’re going, because you might get there.

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