

The historical roots of the crisis of Amtrak

American passenger rail system plagued with endemic delays

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Recent reports show that the poor condition of America's national passenger rail system, Amtrak, continues as usual.

Overall on-time performance for the entire Amtrak system was only 69.7 percent in April and 68.9 percent in May, according to Amtrak's monthly report. These figures actually understate the severe and endemic delays outside of the northeastern region of the United States. Long-distance Amtrak trains, which operate over the tracks of private freight railroads, had an abysmal 40 percent on-time performance in April and 37.5 percent in May—that is, well over half of long-distance trains are late.

Despite these regular delays, the number of Amtrak riders continues to increase, owing to the rising price of gas, highway congestion, and the high cost of air travel. These factors, along with environmental concerns, demonstrate the need for increased passenger rail within a planned transportation system. The continually poor performance of Amtrak for over 36 years shows clearly that the market cannot meet these needs.

Amtrak publishes a revealing chart of on-time performance (OTP) for the long-distance trains that operate on freight railroads. It shows fifteen different train routes, all of which have “scheduled recovery minutes”—a term for padding the schedule to counter regular delays. Longer routes have 3-6 hours of scheduled recovery time, while shorter routes range from 1-3 hours. Even with this padding, almost all trains are behind schedule. Just one route averaged high OTP at its destination for every month of the last year. Ten trains—66 percent—averaged lateness for every single month listed. (See “Amtrak Monthly Performance Report for April 2007”, chart on page 76)

Specific statistics are even more astonishing. In April, twelve of the fifteen long-distance trains were consistently late. The lowest amount of average lateness was an hour, seven trains averaged 2-3 hours delay, and three averaged 4-6 hours of delay.

The *Sunset Limited*, between New Orleans and Los Angeles, had April OTP of 11.3 percent. Its *average* delay was nearly six hours, and if the padded schedule is ignored, it averaged delays of over 12 hours. The *California Zephyr*, which runs between Chicago and San Francisco, has similar delays. Its average OTP was 0 percent in April of 2007 and every prior month since July of 2006. In the last eleven months just two editions of this daily train have arrived on time!

According to recent testimony before the Surface Transportation Board by Amtrak's President, Alexander Kummant, “Host railroad delay minutes are increasing dramatically, up 50 percent during the five years from the first half of fiscal year 2002 to the first half of fiscal year 2007.” Host railroad delay refers to delays caused by problems with the private freight rails on which Amtrak runs.

The majority of host railroad delays have two causes: freight train interference or slow orders. Freight train interference describes the multitude of ways the limited capacity of private railroads fails to

accommodate both freight and passenger traffic. Slow orders result from temporary restrictions on speed owing primarily to poor maintenance or work being done on the tracks.

Amtrak on-time performance has hit historic lows. The overall OTP for 2006, 68 percent, is the lowest in 25 years. Long distance OTP of 30 percent in 2006 is worse than every year but 1973, at the creation of Amtrak and the height of railroad bankruptcy and collapse. Yet the average long distance OTP is just 55.7 percent for Amtrak's entire history, and average overall OTP is only 73.4 percent—i.e., Amtrak is plumbing new depths in a long history of poor performance.

To understand this continually poor performance, a brief historical review of passenger rail is necessary.

In most countries of Europe, railways were nationalized before the 20th century owing to their economic and military importance. Elsewhere, nationalization came in response to mass social struggles. Many railways in South America, Africa, and Asia were taken from private control as part of anti-colonial movements. The last two decades have seen a return of privatization for numerous railways around the world.

In the United States, railways have always been in private hands, with the exception of Amtrak. For these private companies high-volume, long-distance freight traffic was and is the primary source of revenue. Nevertheless, passenger service was extensive and widely used from the inception of railroads until the 1950s, when the growth of interstate highways and later the airlines began to cut sharply into the use of passenger rail.

The common connection between all forms of transportation is that they tend to be capital-intensive and yield low profits. In the United States, this fact is masked by huge government subsidies for highways and air transport—nearly all roads and airports are constructed and maintained with public funding. The post-war era began this trend as the United States achieved worldwide industrial supremacy, with both American automakers and aircraft manufacturers dominant in the world market. These massive companies obviously exert heavy pressure for publicly funded infrastructure, as it is critical to sell their products and earn profits.

The auto industry in particular has intervened in a number of ways to block investment in mass public train systems as part of an attempt to guarantee the monopoly of the auto industry. An example of this is shown in the case of National City Lines, an American Transit operator founded in 1936. It bought up dozens of bankrupt and crumbling streetcar (tram) systems around the country, and converted them to bus operations.

The financial support for National City Lines was provided by automaker General Motors, Standard Oil, and Firestone Tires. General Motors also sold buses to National City Lines. In 1920, nearly all cities in America had transit powered by electric streetcars. By 1950, nearly all transit used diesel-powered buses. This massive shift in urban

transportation occurred chiefly because of the profit interests of automakers rather than a worked-out public plan.

Many major American cities—such as Los Angeles and Detroit—do not have much public transportation at all, forcing the population to use automobiles for nearly all travel.

While General Motors, Chrysler, and Ford enjoyed supremacy in both the domestic and world markets, the financial position of railroads eroded sharply in the post-war period. Passenger services dramatically lost market share to autos and planes, and in response nearly all investment and advancement of passenger rail was curtailed.

Simultaneously, railroads experienced a rapid decline of freight traffic. Truck competition took a substantial portion, in part because trucks were better able to quickly handle short-hauls and light loads. But trucking also enjoyed nearly free highway infrastructure. The beginning of industrial decline in America cut rail traffic as well, particularly in the northeast.

By the 1960's, railroads that were formerly among the most powerful and profitable American corporations were threatened with bankruptcy. They responded with mergers, which consolidated equipment, abandoned redundant trackage, and cut employment. Railroads also sought to completely dissolve their decaying passenger service, with government regulation as the only barrier.

In 1968 the two biggest and most renowned railroads of the eastern US merged to form the largest railroad in the country, Penn Central. Rather than emerging as a new beacon of profitability, Penn Central declared bankruptcy in June of 1970—the largest US corporate bankruptcy up to that point. Debate centered on whether to scrap passenger rail entirely or form a national system.

The National Association of Railroad Passengers, formed in 1967, lobbied Congress to create a national system with public funds. The combination of public pressure to maintain service and railroad efforts to eliminate it resulted in congressional support—but for a very limited system, Amtrak, which served chiefly to take the burdens off of the private railroads.

Amtrak took over passenger rail service from private railroads on May 1, 1971. Rather than inaugurating a new era, the results were closest to those of recently privatized railways worldwide: a massive reduction in service, employment, and equipment.

In the first Amtrak schedule, the amount of trains operated nationwide was suddenly cut by half. There was no new equipment, only older cars and locomotives bought from the former railroads. Amtrak was not a portion of an overall transportation plan assessing the need and efficiency of cars, planes, and rail for public transport. Rather, it was the pitiful result of powerful profit interests dominating transportation. Private railroads could not profit from passenger rail, and airplane and auto companies sought public funding for their own products, rather more funding for a competing form of transportation.

The first large group of new locomotives ordered by Amtrak—really freight engines pushed to operate at higher speed—were the cause of several severe derailments, and all were gone within a few years. Countless other derailments occurred over the poorly maintained tracks of various private freight railroads that Amtrak had to pay to run its trains over.

The first new passenger cars were not ordered until 1975-81. These cars still compose the majority of the Amtrak fleet and, predictably, deferred maintenance is causing high failure rates, which are affecting service reliability.

The initial round of Amtrak cutbacks occurred starting in the late 1970s under Democratic President Jimmy Carter, who enacted a 40 per cent cut to Amtrak's budget, and then under Republican President Ronald Reagan, who began demands for self-sufficiency. Food service had to earn a profit, and thus it was "renovated" with microwavable meals on paper plates at high prices.

Ever since its inception, Amtrak has received federal funding on a yearly basis from Congress. According to the Bureau of Transportation statistics, Amtrak received \$1.3 billion in 2006. In 2000, the last year showing all Federal, State, and Local funding, highways received nearly \$104 billion, and air, \$22 billion. In that year, Amtrak received just \$767 million. Despite this immense gap in public funding there have been continually shrill demands from both the Democrats and Republicans that Amtrak achieve self-sufficiency, be privatized, or—the likely real result of these these steps—be eliminated entirely.

This mantra of profitability exacts terrible effects on service. In the 1990s, Amtrak managers came up with the realization that Amtrak could offer freight service on Amtrak trains at faster speeds than the freight railroads themselves. Thus, passengers might be held 20 minutes at a station while a "profitable" freight car was added to their train.

On June 30, 2002, the shutdown of the entire Amtrak system was only averted through emergency loans and supplemental appropriation by Congress. But the future of Amtrak, and passenger rail transportation in the US in general, appears bleak.

The drive for transportation profits has left passenger rail in the United States nearly stagnant for a half-century. While passenger railways in Europe and Asia operate on dedicated track at speeds over 186 mph (300km/h), there is only one area of electrified, somewhat high speed rail in North America—the Northeast Corridor between Washington D.C. and Boston, Massachusetts. Even here, with a few short exceptions, trains are limited to 135 mph (217km/h), and the lack of funding to repair and upgrade decayed infrastructure causes frequent delays. The electrification of the line was completed in 1935 and many vital aspects, such as power stations, have not been replaced since then.

Restrictive tunnels through Baltimore, Maryland, were constructed in 1873; some major bridges are 100 years old; and over 1,300 short urban bridges were built before 1915. Unlike other high-speed corridors worldwide, freight trains still operate over the Northeast Corridor. This practice is notably unsafe, as shown by a 1987 wreck when an Amtrak passenger train ran into freight engines in Chase, Maryland, killing 15 passengers and an engineer.

There is also little capacity available—railroad mileage has been severely reduced from around 250,000 miles in 1920 to 140,800 in 2006, with many secondary freight lines abandoned and extra capacity on busier routes reduced.

Amtrak's long distance trains are the only alternative to highways for many small towns, and they are critical for those who have no car, cannot drive, or find other transportation too expensive. A recent rise in prices has had a severe affect on these primarily working-class and elderly passengers.

Trains Magazine noted recently, "Rail passengers will notice one consequence of the growing demand for rail travel in the face of Amtrak's limited federal funding and equipment availability: higher fares. Just like the cash-strapped airlines, Amtrak's pricing strategy attempts to extract as much from passengers as the city-pairs, time of year, and accommodations selected will allow."

Outside of the northeast the frequency and timing of Amtrak service is miserable for several large cities, not to mention thousands of towns. Cities with a metropolitan area of over 1 million in population, but without service, include Phoenix, Arizona; Columbus, Ohio; Las Vegas, Nevada; and Nashville, Tennessee. Several other large cities are served only by one train a day or tri-weekly.

Amtrak workers fare no better than passengers—10,000 have been without a contract for 7 and a half years, and another 5,000 for 2 and a half years. Contract provisions require them to keep working during negotiations, with only minimal wage increases compared to the increasing cost of living. Meanwhile, segments of management received a 13.1 percent salary increase this fiscal year.

The problems at Amtrak are only a partial reflection of broader problems with the American transportation system as a whole. For most ordinary Americans, day-to-day transportation usually has to be by car, with increasing fuel prices, congestion, and 43,443 traffic deaths in the year 2005 alone. For long-distance travel, flying offers long security waits and on-time performance that is scarcely better than Amtrak. Indeed, the deregulation of the airline industry has led to increased delays and safety problems.

The option of safe and efficient passenger rail has been excluded, solely because the profit interests of freight railroads, automakers, and airlines were not served by its development. The only way to provide adequate passenger transportation is under a planned socialist economy, where all aspects of transportation can be efficiently arranged on an international scale.

Many of the statistics used in this article can be found in the 2007 Pocket Guide to Transportation



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