### **Notes**

I really wouldn’t read politics/states/spending. Think the specific strat is better, freight DA and lassiter’s alternative stimulus CP.

I’ve included cards for those though.

### **\*\*Off Case**

### \*States CP

### 1NC Card

#### Specific solvency advocate for state cooperation

DOT 9 (http://www.fra.dot.gov/downloads/rrdev/hsrstrategicplan.pdf )(International data from: GAO report, High-Speed Passenger Rail (GAO-09-317); UIC High-Speed Department, “High-Speed Lines in the World” www.uic.asso.fr/uic/spip.php?article573; and Jane’s World Railways 2007-2008. International ridership data is from 2007, except for Germany and U.K., which are from 2005. Amtrak data from FY 2008; represents both NEC Regional (predecessor service began in 1969) and Acela services. “Train à grande vitesse” or “high-speed train.”

Multi-State Partnerships. Most intercity passenger rail corridors, including designated high-speed rail corridors, cross State boundaries. Viable HSR corridor strategies will, therefore, require a multi-State partnership in many cases. To successfully plan, fund, build and operate these corridors, the States involved will need to act in a coordinated fashion, through an interstate compact, a multi-State agreement, or other instrument. Any such multi-State understanding will require the backing of several political and administrative entities within each State.

### 2NC Solvency Cards

#### States can do HSR better than the feds

Chicago Tribune 1 (Editorial, “Let states drive high-speed train,” Dec 24, http://articles.chicagotribune.com/2001-12-24/news/0112240192\_1\_high-speed-rail-investment-high-speed-train-high-speed-rail)

Amtrak--the money-losing operation that poses as a national passenger railroad in the U.S.--is taking the lead in the development of a high-speed train network in the Midwest, comparable to the European trains that zoom by at more than 150 m.p.h. High-speed rail service in the Mi9dwest is an interesting prospect--the market, as well as environmental, energy conservation and other concerns, may justify it. But putting Amtrak in charge and expecting the feds to pay for most of it certainly is a recipe for waste and bad planning. For the Midwest, at least, a frequent, comfortable and reliable high-speed rail system would be a new concept. It ought to be designed and operated as such, according to market demand, with a rigorous bottom-line approach. In other words, everything Amtrak is not. According to plans being circulated in Congress and promoted by several local groups, Chicago would be the hub of a series of high-speed rail lines zipping out to Minneapolis-St. Paul, Detroit, Cincinnati, St. Louis, Cleveland and other major urban areas, with stops at some smaller cities like Springfield, Ill., and Madison, Wis. New trains would run on upgraded freight tracks at estimated speeds of 110 m.p.h. The initial phase would be funded by approximately $4 billion, the Midwest's share of the $12 billion High Speed Rail Investment initiative, under consideration by Congress. Individual states have pledged smaller amounts to the effort, including Illinois' $50 million. A reverse logic animates this project: Instead of determining there is urgent demand--and then seeking funding--Midwestern supporters seem to be saying, "The pot of money is there, so we might as well get our share." That's not the way to build a new railroad, but to extend Amtrak domain which, torn by the incompatible demands of politics, public service and profitability, has evolved into anything but an efficient train system. States ought to take the lead in the high-speed rail effort, and contribute a substantial amount of the money. Perhaps the federal government could pay for the start-up infrastructure improvements, as it did to build the original interstate highway system in the 1950s. Then an independent multi-state agency could purchase the trains and turn over operations to a private concern. Such high stakes and strong participation by the states would lead to a far tougher analysis of what service is needed than the pinata-style planning at play here. Built modestly and incrementally, high-speed rail could work and even make money, at which time full privatization would be the next step. A Chicago-to-St. Louis line, running on relatively underutilized freight tracks through Normal and Springfield, could be a key test. Run efficiently, it could compete favorably with airlines on speed of downtown-to-downtown service, and certainly on roominess and comfort. Regional high-speed service has caught on in California and in the Northwest, and it may well do so here. Although Amtrak's math is complicated, the agency projects that, when fully operational, its high-speed Acela line on the Northeast will make about $180 million in annual profit Are there enough commuters and are they willing to give up their cars or airline seats in favor of high-speed trains? If it's their own money on the line, state officials, planners--and taxpayers--would make sure the project makes sense before any money is invested. High-speed train service in the Midwest is a prospect worth investigating, on the right terms.

#### Multistate pacts solve for HSR – already being used

OPA 3 (Office of Public Affairs, US Department of Transportation, Fact Sheet, The Passenger Rail Investment Reform Act of 2003, http://www.dot.gov/affairs/Passenger%20Rail%20Fact%20Sheet.htm)

\* The Administration believes that states, not Amtrak, are best equipped to decide where rail service is important. States should be empowered to choose the rail service provider of their choice, whether it's Amtrak, a private company or a public transit agency. Following a transition, the Administration's proposal would allow states to submit proposals for passenger rail capital investment to the U.S. Department of Transportation, as they have successfully done for highway and transit capital investments. \* Amtrak would transition into three companies: \* A private passenger rail company that would operate trains under contract to states and multi-state compacts - just as the current Amtrak operates trains under contract to commuter rail agencies; \* A private rail infrastructure company that would maintain and operate the infrastructure on the Northeast Corridor under contract to a multi-state Northeast Corridor Compact. Title to Amtrak's current tracks, stations and other infrastructure on the Northeast Corridor will be held by the federal government and leased to the Northeast Corridor Compact; and \* The National Passenger Rail Corporation, which would continue as a government corporation that would retain Amtrak's current right to use the tracks of the freight railroads, and the Amtrak corporate name. Both the track-access rights and the Amtrak brand would be provided under contract to states and multi-state compacts for qualifying passenger rail service they sponsor. \* Separating train operations and infrastructure ownership is not a new concept. Train operations and infrastructure ownership have for decades been split in the United States. Amtrak operates trains over more than 22,000 miles of track in the United States, but owns only 730 miles of track (mostly on the Northeast Corridor between Washington, D.C. and Boston, and in Michigan). All other tracks are owned either by freight railroads or by the states. \* Multi-state compacts are not new. Multi-state coalitions are already operating intercity rail services, and some are planning for future high-speed rail operations. The Administration believes these cooperative partnerships between the states, the federal government and freight railroads, will improve the efficiency of intercity passenger rail service as a viable alternative to air and highway travel in some corridors.

### \*Politics

#### Public opposes HSR

New York Times 12 (Boston New York Time Co., “Poll: Voters turn against California bullet train”, http://articles.boston.com/2012-06-03/news/32009857\_1\_high-speed-rail-bullet-train-rail-project, LCS)

A new poll finds California voters are experiencing buyers’ remorse over a proposed $68 billion bullet train project, as the number of lawsuits against the rail system grows. Fifty-five percent of voters want to see the high-speed rail bond issue that was approved in 2008 back on the ballot, and 59 percent say they would now vote against it, according to the USC Dornsife/Los Angeles Times survey (lat.ms/N9tTcm) published Saturday. Since the $9 billion borrowing plan was passed, the projected cost of the bullet train between Los Angeles and San Francisco has roughly doubled, and it will now share track with slower commuter and freight trains in some areas, the Times said. A majority of voters have turned against the ambitious undertaking just as Gov. Jerry Brown is pushing lawmakers to approve the start of construction in the Central Valley later this year.

#### Majority of Public dislikes plan

AP 12 (Huffington Post, “California High Speed Rail Doesn't Have The Support Of Majority Of Californians: Poll”, http://www.huffingtonpost.com/2012/06/04/california-high-speed-rail\_n\_1566807.html, LCS)

The poll found that concerns about the project extend across regions, ethnic groups, income brackets and even political affiliations, according to the Times. Among Democrats, initially the strongest supporters of the plan, only 43 percent would support the bond in a new vote, while 47 percent would oppose it. Seventy-six percent of Republicans would vote against it. Voters have reconsidered their support for high-speed rail as lawmakers slash public programs to cope with a widening budget gap, said Dan Schnur, director of the poll and head of the Unruh Institute of Politics at USC. "The growing budget deficit is making Californians hesitant about spending so much money on a project like this one when they're seeing cuts to public education and law enforcement," Unruh said. "But they also seem to be wary as to whether state government can run a big speed rail system effectively." In Southern California, 67 percent of voters said they would reject issuing high-speed rail bonds if they could vote again.

### \*Freight DA

### 1NC Shell

#### Freight rail is making a resurgence now

Esch 7/5 (Mary, associated press, republished by the SF Gate, <http://www.sfgate.com/news/article/NY-joining-revival-of-short-line-rail-industry-3685825.php>)JFS

A railroad company is renovating rusty, overgrown tracks to get at millions of tons of waste rock at an abandoned iron and titanium mine near the source of New York's Hudson River and the highest peaks of the Adirondacks, part of a widespread resurgence of short line and regional freight lines.¶ The planned reopening of a 30-mile rail link is being driven by high oil prices that make rail shipping more economical than trucking. Backers hope the Adirondack line will bring an economic boost to faded towns along its route by providing a new shipping option for products such as minerals, logs and paper products.¶ In the past 30 years, the number of short line railroads has grown from about 70 to about 550, said David Whorton, a spokesman for the American Short Line and Regional Railroad Association. Short lines are typically mom-and-pop businesses serving two to six customers, usually connecting with another short line, regional, or major freight railroad such as CSX Transportation or the Norfolk Southern Railway.¶ Increased fuel costs and congested highways have made rail shipping more attractive. "A railroad can move a carload carrying three to four trucks worth of goods 300 miles on a gallon of diesel," Whorton said.

#### High speed rail kills the freight rail industry –

Moore 11 (Michael, Pacific Standard Magazine, <http://www.psmag.com/business-economics/high-speed-rail-will-impact-americas-freight-trains-32272/>)JFS

The recent controversy over high-speed rail in America has obscured one fact about trains that defines — and pretty well explains — the main trend in rail traffic in the U.S. and Europe over the last few decades: Americans move a lot more freight by train than Europeans.¶ That’s a good thing. Moving cargo that way keeps trucks off the road. And the European Union’s emissions-reduction goals for the year 2020 have forced Europeans to admit to using more commercial trucks than they’d like, in spite of their own high fuel prices.¶ “Europe’s dependence on trucks stems from the failure of its vaunted passenger-rail network to provide a cheap, efficient alternative for cargo,” is how The Wall Street Journal put it in a survey in 2007. That’s true in the sense that passenger rail service is good in Europe and cargo rail service is not — governments have focused on one and not the other. But it’s not (necessarily) a zero-sum game.¶ Europe’s dependence on trucks actually stems from the fractured nature of continental rail networks, a challenge that passenger train firms also haven’t solved. Spain and Portugal still run passenger trains on narrower tracks than the rest of Europe, and France has just started discussing how to link its TGV system with the (newer, more compatible) Spanish high-speed tracks.¶ Since Europe is also more crowded than the U.S., finding the land for new factories close to train lines has traditionally been tougher. For decades the continent was also divided by the Cold War, so a good long-distance cargo system failed to develop between the east and west. The U.S. also doesn’t have the same niggling differences in language and national rolling stock.¶ But even in the two decades since the fall of communism, there’s been more business for American cargo rail companies and less of it for their European counterparts. “Between 1995 and 2005,” as The Wall Street Journal points out, “the percentage of European goods shipped by truck rose to 73 percent from 68 percent, while rail’s share fell to 17 percent from 20 percent.”¶ During about the same period, the railroads’ share of the U.S. freight market rose from 33 percent to 38.2 percent. (The American trucking business also grew its share, from 25.4 percent to 28.5 percent.)¶ The whole point of the European Union is to smooth out inevitable cross-border problems like track gauge and language confusion. The EU has been on the cargo-rail problem since the ’90s, and a few new projects — like a long, dedicated new corridor with no road crossings between Rotterdam and Germany’s industrial Ruhr Valley — have EU support. But Europe should be further along.¶ Where freight and high-speed passenger trains use the same track, of course, they don’t mix well, for the same reason that a Porsche on the highway can’t move fast if it gets stuck behind a semi. So The Economist last year argued that more high-speed rail in America could actually harm the U.S. rail-cargo network, which it described as “one of the unsung transport successes of the past 30 years … universally recognized in the industry as the best in the world.”

Railroads keep food prices low

Laur 98 (Ed, vice president of Attebury Grain, Inc, Federal News Service, 3/31, lexis)

U.S. agriculture is undergoing a major transition, from being heavily influenced by government to one of less government and more market freedom. The 1996 farm law that opened the door to greater planting flexibility for producers also phases out the government's financial support of farmers, challenging agriculture to expand farm income from the marketplace and to aggressively pursue export markets. To achieve that outcome, reliable transportation services of all kinds are an absolute must. Predictable access to markets -- whether to ports to load oceangoing vessels or to poultry and hog farms or flour mills to keep products growing and moving into consumer channels -- is highly necessary if this new farm policy is to be successful. If grain and its derivative products cannot be delivered in a predictable manner, domestic and global customers will go elsewhere as we watch our markets shrink. U.S. farmers expect and deserve the support of Congress and the federal government in assuring reasonable market access and predictability of transportation service. How important is predictable rail service to U.S. agriculture? Upwards of 50 percent of all commercial grain movements to markets are carried by rail. In some western growing areas, it is not unusual to have 75 percent or more of shipments moving by rail. Railroads link the major production regions of the Midwest with processing, livestock and poultry operations on both east and west coasts, as well as all the ports. In the long-haul movements required to keep grain flowing reliably from production regions to points of consumption, rail is often the only viable economic alternative. Many grain shippers are located beyond effective trucking distances from markets and far from navigable waterway transportation.

#### Fluctuating food prices triggers massive global death

Cribb 10 (Julian, director of australia’s national science agency, fellow of the Australian academy of technological sciences and engineering, has published more than 8000 scientific studies, “the coming famine: the global food crisis and what we can do to avoid it,” google books)JFS <we do not endorse gendered language> <note: FAO = food and agriculture organization>

With eloquent symbolism, this Petronian banquet made clear that the well-off part of humanity has largely forgotten what it is to go hungry and is awakening to an unpleasant shock: starvation and the wars, refugee crises, and collapse of nation-states that often accompany hunger have not been permanently banished after all. Indeed, they are once more at our doorstep. Food insecurity and its deadly consequences are again a pressing concern for every nation and each individual. Despite the global food crisis of 2007-8, the coming famine hasn't happened yet. It is a looming planetary emergency whose interlocked causes and deeper ramifications the world has barely begun to absorb, let alone come to grips with. Experts predict that the crisis will peak by the middle of the twenty-first century; it is arriving even faster than climate change. Yet there is still time to forestall catastrophe. The first foreshocks were discernible soon after the turn of the millennium. In the years from 2001 to 2008 the world steadily consumed more grain than it produced, triggering rising prices, growing shortages, and even rationing and famine in poorer countries. The global stockpile of grain shrank from more than a hundred days' supply of food to less than fifty days'. It was the difference between a comfortable surplus and alarming shortages in some countries; it was accompanied by soaring prices - and the resulting fury of ordinary citizens. It was mainly this simple fact of each year consuming slightly more than we grew that panicked the long-quiescent grain markets, triggering a cycle of price increases sent shockwaves through consumers in all countries, governments, and global institutions such as the United Nations, its FAO, and the World Bank. All of a sudden, food security, having been off the political menu for decades was heading the bill of fare - not even to be entirely eclipsed by the spectacular crash of the world's financial markets that followed soon afterwards. That the world was suddenly short of food - after almost a half century of abundance, extravagant variety, year-round availability, and the cheapest real food prices enjoyed by many consumers in the whole of human history - seemed unimaginable. ¶ On television, celebrity chefs extolled the virtue of devouring animals and plants increasingly rare in the wild; magazines larded their pages with mouth-watering recipes to tempt their overfed readers' jaded appetites; food corporations churned out novel concoctions of salt, sugar, fat, emulsifier, extender, and dye; fast-food outlets disgorged floods of dubious nutrition to fatten an already overweigh 1.4 billion people. And, in the third world, nearly fifteen thousand children continued to die quietly and painfully each day from hunger-related disease. "A brutal convergence of events has hit an unprepared global market, and grain prices are sky high. The world's poor suffer most," stated the Washington Post. The food price shock now roiling world markets is destabilizing governments, igniting street riots and threatening to send a new wave of hunger rippling through the world's poorest nations. It is outpacing even the Soviet grain emergency of 1972-75, when world food prices rose 78 percent." Between 2005 and 2008, food prices rose on average by 80 percent, according to the FAO. "Rocketing food prices—some of which have more than doubled in two years—have sparked riots in numerous countries recently," Time magazine reported. "Millions are reeling... and governments are scrambling to staunch a fast-moving crisis before it spins out of control. From Mexico to Pakistan, protests have turned violent." Time attributed events to booming demand from newly affluent Chinese and Indian consumers, freak weather events that had reduced harvests, the spike in oil prices, and growth in the production of farm biofuels. In early 2.007, thousands of Mexicans turned out on the streets in protest over the "tortilla crisis"—savage increases in the cost of maize flour. Over the ensuing months food riots or public unrest over food prices were reported by media in Haiti, Malaysia, Indonesia, the Philippines, Bangladesh, India, Burkina Faso, Senegal, Cameroon, Morocco, Mauritania, Somalia, Ethiopia, Madagascar, Kenya, Egypt, Ivory Coast, Yemen, the United Arab Emirates, Mexico, and Zimbabwe. In Haiti riots forced the resignation of the prime minister and obliged the United Nations World Pood Programme to provide emergency aid to 2.3 million people. The new government of Nepal tottered. Mexico announced plans to freeze the prices of 150 staple foods. The U.K. Guardian reported riots in fifteen countries; the New York Times and the World Bank both said thirty. The FAO declared that thirty-seven countries faced food crises due to conflict or disaster at the start of 2008, adding that 1.5 billion people living in degraded lands were at risk of starvation. The Economist magazine succinctly labeled it a "silent tsunami."9 The rhetoric reflected the sudden, adventitious nature of the crisis. "It is an apocalyptic warning," pronounced Tim Costello, the Australian head of the aid agency World Vision. "Until recently we had plenty of food: the question was distribution. The truth is because of rising oil prices, global warming and the loss of arable land, all countries that can produce food now desperately need to produce more."10"What we are witnessing is not a natural disaster—a silent tsunami or a perfect storm. It is a man-made catastrophe," the World Bank group president Robert Zoellick advised the G8 leaders feasting in Japan. Major rice-growing countries, including India, Vietnam, China, and Cambodia, imposed export restrictions to curb rice price inflation at home. Malaysia, Singapore, Sri Lanka, and the Philippines began stockpiling grain while Pakistan and Russia raised wheat export taxes and Brazil, Indonesia, and Argentina imposed export restrictions. Guinea banned all food exports." The panic reached a peak in Asia, where rice prices soared by almost 150 percent in barely a year. "Nobody has ever seen such a jump in the price of rice," said sixty-eight-year-old Kwanchai Gomez, the executive director of the Thai Rice Foundation. Filipino fast-food outlets voluntarily reduced customer portions by half. In Thailand, thieves secretly stripped rice paddies by night to make a fast profit. India banned the export of all non-basmati rice, and Vietnam embargoed rice exports, period, sending Thai rice prices spiraling upward by 50 percent. The giant U.S. retailer Wal-Mart rationed rice sales to customers of its Sam's Club chain; some British retailers did likewise. Such measures did little to quell the panic, which was originally touched off by a 50 percent drop in surplus rice stocks over the previous seven years. The International Rice Research Institute attributed the crisis to loss of land to industrialization and city sprawl, the growing demand for meat in China and India, and floods or bad weather in Indonesia, Bangladesh, Vietnam, China, and Burma.12By mid-2009, accelerated by the worldwide financial crash, thirty-three countries around the world were facing either "alarming" or "extremely alarming" food shortages, a billion people were eating less each day13—and most of Earth's citizens were feeling the pinch. Though food prices fell, alongside prices of stocks and most other commodities, in the subsequent months, they fell only a little—and then began to rise again. What happened in 2008 wasn't the coming famine of the twenty-first century, merely a premonition of what lies ahead. This will not be a single event, affecting all nations and peoples equally at all times, but in one way or another it will leave no person in the world untouched. The reemergence of food scarcity occurs after decades of plenty, accompanied by the lowest real food prices for consumers in history. These bounteous years were the consequence of a food production miracle achieved by the world's farmers and agricultural scientists from the 1960s on—a miracle of which the urbanized world of today seems largely oblivious and which we have forgotten to renew.

### UQ Extensions

#### Freight rail industry is entering a new golden age

McClatchy 12 (Trib, news service, <http://triblive.com/x/pittsburghtrib/business/s_777812.html>)JFS

More than three decades after the federal government deregulated freight railroads, the industry is enjoying "a new golden age," said Frank Wilner, the author of several books on railroad economics. After being left for dead in the 1970s, railroads reinvested nearly $10 billion in themselves last year alone, according to industry figures, and they haven't received taxpayer bailouts.¶ Need a job? They're hiring, and if you're a veteran, they want you.¶ They can't send jobs overseas because their business is literally bolted to the ground.¶ "They are more efficient than trucks are at moving quantities of freight," Wilner said.

#### Freight strong now, but vulnerable to high speed rail

Davidson 10 (Paul, quoting CEO of UNP, largest rail company, <http://www.usatoday.com/money/companies/management/2010-10-06-young06_ST_N.htm>)JFS

Perhaps no industry has a better feel for the nation's economic pulse than freight railroads, which transport much of the country's grains, metals, chemicals, cars and lumber. Union Pacific (UNP), which is the nation's No. 1 freight railroad and serves the western U.S., is benefiting handsomely from the recovery, posting record second-quarter profits.¶ But the company faces legislation in Congress to toughen regulations on the industry and an Obama administration proposal to use the freight rail network for a planned high-speed passenger rail system.

### Link Wall

#### **Plan forces freight rails to give up the lines to HSR – increases costs**

Moore 11 (Michael, Pacific Standard Magazine, <http://www.psmag.com/business-economics/high-speed-rail-will-impact-americas-freight-trains-32272/>)JFS

Right now, American cargo trains can move flexibly, sometimes without a strict time schedule, according to customer demand. If they share the rails with too many passenger trains, they’ll need to be more strictly organized, with expensive new train-control systems.¶ Cargo carriers have howled about the cost, but the main problem — from their point of view — is a threat to their dominance in certain corners of the country. Part of the federal support for high-speed rail will fund little rail spurs or pullouts to let trundling cargo trains cool their wheels while an inter-city train full of businessmen blows past.¶ Germany dealt with these problems in the 1980s and ’90s, as it slowly laid its high-speed system over a first-class freight network. This isn’t uncharted territory. Germany now has the best cargo system in Europe, as well as excellent (if not lavish) high-speed rail.¶ The map of planned American inter-city lines should also be sparse enough to ease the cargo carriers’ minds. Change is unpleasant, of course, and American freight trains will become pricier and less flexible around certain major cities if they have to make room for good passenger service. But things will have to change enormously before America has to fear lapsing back to European freight standards — especially since the shambles in Europe is so unique.

#### This takes out solvency – neither freight rail nor the plan will be effective

Nagarajan 10 (Ravi, a private investor and writer, <http://seekingalpha.com/article/216596-high-speed-rail-may-threaten-freight-rail-renaissance>)JFS

American passenger trains generally operate on rails owned by freight railroads. While Amtrak Acela trains normally are given preference, those who travel on the regular “regional” trains have experienced the frustration of being delayed due to freight movements. Commuter rail systems in the Washington D.C. area have long been plagued by delays caused by freight railroads.¶ Two interesting articles appeared last week regarding the conflicts between freight and passenger rail in America. The Economist published a lengthy article on American railways and warned that the country’s high performing system of rail freight could be in jeopardy if high speed rail initiatives are not pursued with caution. An article in The Washington Post covering stimulus funds for high speed rail covered many of the same topics.¶ America’s Freight Rail Renaissance¶ The Economist points out that freight rail performance in America has dramatically improved since the industry was deregulated in 1980. In terms of productivity and prices charged to customers, freight rails have never performed at a higher level. As the interstate highway system degrades due to lack of funding for maintenance and the pressures of steadily increasing traffic loads, freight rail has become a very attractive form of transportation compared to trucks. Rail is also a much “greener” method of transportation since it is possible to transport one ton of freight over 400 miles on a single gallon of diesel fuel.¶ Intermodal traffic has increased significantly in recent years as companies have shifted to rail for long haul routes and restricted trucking to shorter trips at each end of the line. Trade with China has significantly increased incoming shipments of goods to West Coast ports resulting in higher levels of freight traffic for intermodal containers. Traffic in coal from the Powder River Basin in Wyoming has also generated more use of the freight rail system as the fuel is transported greater distances due to demand for the region’s low sulfur coal.¶ Impact of Passenger Rail on Freight Lines¶ Railroads are concerned about the pressures that would exist if high speed passenger rail shares the existing freight railways. True high speed rail, such as the systems deployed in China in recent years, require dedicated track to meet the precise requirements of trains operating at extremely high speeds. Even lower speed trains such as the Acela require major upgrades to existing freight rail systems in order to operate safely. Freight railroads are concerned about the impact of giving such trains the right of way on their lines. According to The Economist, most of the plans for high speed rail boils down to running intercity passenger trains at speeds of up to 110 miles per hour on existing freight tracks.¶ When Warren Buffett decided to acquire Burlington Northern Santa Fe (BNI), he stated that railroads provide Berkshire Hathaway (BRK.A) with an ideal opportunity to invest funds at reasonable rates of return. Indeed, many observers believe that Berkshire may increase capital expenditures at Burlington Northern in the coming years. In late April, Burlington Northern CEO Matthew Rose clearly stated that he plans to make significant investments in the railroad. Such investments should further improve the capability of America’s rail system to move more freight at lower cost in the future.¶ Proceed with Caution …¶ America is at an important juncture with respect to the development of a high speed rail network. To achieve true high speed rail, it is necessary to invest in dedicated passenger rail systems specially designed to support very high speeds. This will require massive capital investments as well as the right of way through some very congested parts of the country. It is doubtful whether high speed rail will command fares high enough to justify the investment. As a result, policymakers are attempting a “hybrid” approach in which the existing freight rail system is modified to meet the needs of high speed rail. Without careful planning, this hybrid approach may represent a setback for America’s excellent freight rail system while failing to provide a true high speed form of transportation for passengers.

#### The plan reduces the freight industry’s capacity

Economist 10 (News Magazine about the economy, <http://www.economist.com/node/16636101>)JFS

But the problem with America's plans for high-speed rail is not their modesty. It is that even this limited ambition risks messing up the successful freight railways. Their owners worry that the plans will demand expensive train-control technology that freight traffic could do without. They fear a reduction in the capacity available to freight. Most of all they fret that the spending of federal money on upgrading their tracks will lead the Federal Railroad Administration (FRA), the industry watchdog, to impose tough conditions on them and, in effect, to reintroduce regulation of their operations. Attempts at re-regulation have been made in Congress in recent years, in response to rising freight rates. “The freight railroads feel they are under attack,” says Don Phillips, a rail expert in Virginia.

Independent of finances, the plan causes new regulations on the industry that kill freight rail

Economist 10 (News Magazine about the economy, <http://www.economist.com/node/16636101>)JFS

Another looming threat is re-regulation. Fed up with increasing rates, customers, notably chemical, coal, agribusiness and utility companies, are complaining that these are evidence that the railroads are abusing their market power. The railroads retort that despite record traffic and profits, their return on investment since 2000 has been only 8%, which according to the Surface Transportation Board, another federal regulator, barely covers the cost of capital. They also say that freight rates are usually governed by what their competitors—ie, truckers—charge. When higher diesel costs put up trucking rates, the railways follow suit.¶ Politicians from West Virginia have been pushing a bill in Congress that threatens to re-regulate the railways. The industry seems confident it will not get through, but risks will remain: opposing PTC could play into the hands of those who wish to increase oversight. In his annual letter to shareholders in February Mr Buffett said that BNSF, like Berkshire Hathaway's electric utilities, required “wise regulators who will provide certainty about allowable returns so that we can confidently make the huge investments required to maintain, replace and expand the plant.”¶ The emergence of express intercity rail services may cause the freight railways the biggest problem of all. The policy is not only laid down by the president but also often has enthusiastic support at state level. The railways can hardly oppose Mr Obama's plan to boost high-speed rail, but they are apprehensive about what it will mean for them.¶ The problem is not the creation of new corridors with trains rattling along at 150mph. Such lines, like those proposed in California or between Tampa and Orlando in Florida, would have their own track, separated from existing lines though on the same strip of land as a freight railway. The expertise to build and run these lies mainly in Europe and Japan, where engineering firms and the technology and consulting arms of national railways have been eyeing the American market eagerly.¶ The trouble for the freight railways is that almost all the planned new fast intercity services will run on their tracks. Combining slow freight and fast passenger trains is complicated. With some exceptions on Amtrak's Acela and North East corridor tracks, level crossings are attuned to limits of 50mph for freight and 80mph for passenger trains. But Mr Obama's plan boils down to running intercity passenger trains at 110mph on freight tracks. Add the fact that freight trains do not stick to a regular timetable, but run variable services at short notice to meet demand, and the scope for congestion grows.¶ Return of regulation¶ The freight railroads have learned to live with the limited Amtrak passenger services on their tracks. Occasionally they moan that Amtrak pays only about a fifth of the real cost of this access. Some railmen calculate that this is equivalent to a subsidy of about $240m a year, on top of what Amtrak gets from the government. Freight-rail people regard this glumly as just part of the cost of doing business, but their spirits will hardly lift if the burden grows.¶ Their main complaint, however, is that one Amtrak passenger train at 110mph will remove the capacity to run six freight trains in any corridor. Nor do they believe claims that PTC, due to be in use by 2015, will increase capacity by allowing trains to run closer together in safety. So it will cost billions to adapt and upgrade the lines to accommodate both a big rise in freight traffic and an unprecedented burgeoning of intercity passenger services. Indeed, some of the money that the White House has earmarked will go on sidings where freight trains can be parked while intercity expresses speed by.¶ Federal and state grants will flow to the freight railroads to help them upgrade their lines for more and faster passenger trains. But already rows are breaking out over the strict guidelines the FRA will lay down about operations on the upgraded lines, such as guarantees of on-time performance with draconian penalties if they are breached and the payment of indemnities for accidents involving passenger trains. The railroads are also concerned that the federal government will be the final arbiter of how new capacity created with the federal funds will be allocated between passenger and freight traffic. And they are annoyed that there was little consultation before these rules were published.

### Coal Module

#### Coal industry needs railroads

Beadles 12 (Richard, Virginia Rail Policy Institute, <http://www.varpi.org/BB12apr12.html>)JFS

Could it be that U. S. freight rail industry is caught in that same mindset? We fully expect the rails to avoid a similar fate. There is no reason to think that the long-term decline of coal traffic is going to bring down any of the big Class I U. S. freight rails. However, the circumstances are eerily similar. Railroads and coal have been inseparable since the very beginning. Coal, especially thermal coal for U. S. electric power plants, has long been a dominant rail commodity, relatively immune to cyclical business fluctuations or to highway diversion, and a generator of high-margin profits for rails.

#### Freight industry key to the coal industry

Attanasi & Freeman 9 (Emil and Phillip, scientists with the USGS, <http://pubs.usgs.gov/pp/1625f/downloads/ChapterE.pdf>)JFS

Transportation costs represent an important part of the ¶ total delivered price of coal to the powerplant. Coal transport ¶ costs depend on the per-mile rate and on the distance from ¶ the mine to the powerplant. In 2002, the last year statistics ¶ were published, two-thirds of coal was delivered by rail, about ¶ 12 percent was waterborne, 13 percent was transported by ¶ truck, and the remainder by slurry pipeline, tram, and conveyers (Energy Information Administration, 2004). For coal ¶ originating in the Appalachian Basin in 2001, coal transport ¶ costs averaged 14 to 20 percent of delivered coal prices to ¶ destinations in the Northeast and Midwest. From western ¶ coal-producing areas, coal transport costs averaged about 61 ¶ to 71 percent of delivered prices to destinations in the Midwest and South (Energy Information Administration, 2004). In ¶ 2006 three-fourths of the coal produced was shipped by rail at ¶ some stage. This coal represented 44 percent of the all tonnage ¶ transported by rail and accounted for almost 21 percent of the ¶ railroad industry’s gross revenues (Association of American ¶ Railroads, 2008).¶ Four railroads control 90 percent of the rail transportation for coal. The Burlington Northern/Santa Fe and the Union ¶ Pacific operate in the Western United States, and CSX and ¶ Norfolk Southern operate in the Eastern United States. The ¶ dominance of these railroads is the result of a series of consolidations and mergers as railroads were gradually deregulated, ¶ starting with the Staggers Act and continuing to the demise of ¶ the Interstate Commerce Commission (ICC) in 1986. Prior to ¶ railroad deregulation, the ICC had set rail rates. The Surface ¶ Transportation Board has replaced the ICC. Rather than taking a proactive stance in assuring “fair” rail rates, the Surface ¶ Transportation Board operates on the basis of complaints by ¶ shippers and has apparently made no attempt to mitigate the ¶ wave of rail mergers that has resulted in the current industry ¶ structure (Fiscor, 1999).

### Economy Module

#### Freight industry solves all your internal links to the economy

Booen 11 (Bret, writer for Supply Change Digital, <http://www.teamidslogistics.com/news/how-freight-rail-is-getting-the-us-economy-back-on-track>)JFS

There are 565 freight railroads in the United States. Those 565 railroads make up a nearly 140,000-mile long rail network that is used to transport imported goods that come via sea freight and air freight from far away destinations. Along with being a national heritage, the railroad is the most efficient and cost-effective way of moving goods into inner-America. Just don’t tell that to UPS and FedEx, who will try to convince you otherwise.¶ The freight rail industry supports over 180,000 US jobs, and by all accounts that number will rise in the coming years as the government and private investors pour millions of dollars into infrastructure improvements and make freight rail capital investments. It’s no surprise that Pennsylvania, an important corridor situated between Chicago and New York City has the most railroads with a whopping 58 tracks. Meanwhile, Hawaii has the least number of tracks with a whopping zero. If we’re going strictly by freight rail miles, then the state where everything is bigger is No. 1 as Texas sports a network of 10,743 freight rail miles. Texas hosts three signature railway companies namely Union Pacific, Kansas City Southern and Burlington Northern/Santa Fe.¶ I don’t mean to insult your intelligence, but freight rail is an important economic driver because freight rate volumes often tell us exactly where the state of our economy is. Take 2008, for example, when the freight rail industry nearing all-time highs. Everyone was having a great time sending their stuff across America, but then it all came crashing down in 2009.¶ I digress. A single train can carry the load of 280 or more trucks. In other words, a freight train essentially takes more than 1,100 cars off of American highways. The last thing anyone wants is more congestion on American highways. The Association of American Railroads (AAR) reports that congestion on highways costs $87 billion in wasted travel time and fuel each year. So not only is freight rail efficient and cost-effective, but it helps mitigate congestion from our nation’s roads, which was one of the more salient points Obama talked about in his State of the Union Address earlier this year.¶ AAR President and CEO Edward R. Hamberger said, “The President has issued a clear call to American businesses, urging them to get off the sidelines and get back in the game by investing capital and hiring.”¶ While President Obama and other leaders have called upon private companies to increase capital spending and rev up hiring, the nation’s freight railroads have been spending record sums of private capital on the rail network and bringing people back to work. Railroad hiring at the end of 2010 was up 5.2 percent over the year before, according to the report, and railroads are positioned to hire more workers in the coming years.¶ Hamberger says, “Freight railroads have been in the game for the past 30 years, investing more than $480 billion to build and maintain America’s freight rail network with private capital, and supporting jobs all across the country. Freight railroads have a great track record and are ready to continue investing in the national rail network so U.S. taxpayers don’t have to. But, we must have a regulatory framework that supports, and does not hinder, private investment.”¶ The AAR recently announced the nation’s freight railroads in 2011 are planning to spend a record $12 billion on capital expenditures, after setting a record with $10.7 billion in capital spending in 2010. According to the Great Expectations 2011, Railroads and Continued U.S. Economic Recovery report, these investments are potentially threatened by regulatory and legislative policies being considered in Washington, D.C.¶ “Even during the worst recession in a generation, freight railroads have been plowing record amounts of private capital back into the rail network each and every year, achieving one of the highest capital investment rates of any U.S. industry,” said Hamberger. “A regulatory framework that provides certainty will foster continued economic recovery and job creation.”

### Warming Module

#### Freight rail reduces emissions

Hamberger 8 (ed, chief executive of the American Association of Railroads, <http://www.eenews.net/tv/transcript/826>)JFS

It would be one of our target audience and what we're trying to do is raise the level of consciousness about the importance of freight in general, but freight by rail specifically. We can get 436 miles to the gallon. That is to say, we move, on average, 1 ton of freight 436 miles on 1 gallon of fuel. Because of that, we emit fewer CO2 emissions. We emit fewer particulates, fewer NOX emissions. And so we think, at a time when people are trying to figure out how to deal with $140 barrel of oil, how to fight global warming, they should be aware of the option of moving freight by rail.

We solve your internal link – freight gets cars off the road

Moore 11 (Michael, Pacific Standard Magazine, <http://www.psmag.com/business-economics/high-speed-rail-will-impact-americas-freight-trains-32272/>)JFS

The recent controversy over high-speed rail in America has obscured one fact about trains that defines — and pretty well explains — the main trend in rail traffic in the U.S. and Europe over the last few decades: Americans move a lot more freight by train than Europeans.¶ That’s a good thing. Moving cargo that way keeps trucks off the road. And the European Union’s emissions-reduction goals for the year 2020 have forced Europeans to admit to using more commercial trucks than they’d like, in spite of their own high fuel prices.

### \*\*Case

### \*Econ

Supplement with Julia’s stimulus answers

### No Stimulus

#### No short term stimulus – takes decades to start building

Stegemeier 10 (Richard, national academy of engineering, <http://www.ocregister.com/articles/speed-234453-high-rail.html>)JFS

High-speed rail as part of a short-term economic stimulus package is nonsense if it takes a decade or two to build. The environmental impact statement itself will take years. Acquiring 680 miles of right-of-way will be contested in thousands of eminent domain lawsuits and will take at least a decade to complete. If high-speed rail serves intermediate cities then it will increase travel time, create noise and interrupt traffic flow at thousands of intersections. If it bypasses smaller cities to gain the advantage of speed, then it serves only the end terminals and disadvantages everyone in-between.

### No Congestion

#### Doesn’t affect congestion

O’Toole 9 (Randall, St Louis Post, <http://www.stltoday.com/news/opinion/editorial/high-speed-rail-is-expensive-and-inefficient-transit-many-lower/article_6a274e4d-4d57-5737-9848-1a55417759b2.html>)JFS

Moderate-speed trains whose average speeds are 60 to 75 mph are not going to relieve highway congestion. Even California predicts that its true high-speed trains will take only 3.8 percent of traffic off of parallel roads. Since traffic grows that much every two years, high-speed rail is an extremely costly and ineffective way of treating congestion.¶ High-speed trains in Europe and Japan may be attractive to tourists, but neither have stopped the growth in auto driving. Residents of Japan travel as much on domestic airlines and almost as much by bus as by high-speed rail, and they travel by car 10 times as many miles per year as by high-speed rail. "Not a single high-speed track built to date has had any perceptible impact on the road traffic carried by parallel motorways," says Ari Vatanen, a member of the European Parliament. The average residents of Japan and France ride high-speed rail less than 400 miles a year.

### \*Oil

Supplement with Mollie’s warming answers

### **No Ridership**

#### **Studies prove that transit does not reduce driving**

O’Toole 9 (Randall, St Louis Post, <http://www.stltoday.com/news/opinion/editorial/high-speed-rail-is-expensive-and-inefficient-transit-many-lower/article_6a274e4d-4d57-5737-9848-1a55417759b2.html>)JFS

The experiences of cities that have adopted these policies reveal two things. First, such policies do not significantly reduce driving. Second, the policies impose very high costs on the cities and urban areas that adopt them. Within the range of densities found in American urban areas, density alone has trivial effects on the amount of driving people do. Statistically, the correlation between changes in urban densities and changes in per-capita driving is very low, and to the extent there is a correlation, a doubling of urban densities reduces per-capita driving by just 3.4 percent. Nor do so-called transit-oriented developments—high-density, mixed-use developments near transit stations—significantly reduce driving. To the extent that people living in these developments drive less than others, it is because those people want to drive less so they decided to live near a transit line. After that market has been saturated, however, people living in such developments tend to drive as much as anyone else. Surveys have found that people living in Portland-area transit-oriented developments do not use transit significantly more than people in other Portland neighborhoods. Similar results have been found with transit-oriented developments in other cities. The failure of these policies to have much of an effect on driving might not be important were it not for the fact that the policies impose huge costs on urban residents. Numerous surveys show that the vast majority of Americans say they want to live in a single-family home with a yard. Yet livability policies deliberately make this housing unaffordable to low- and even middle-income families. Indeed, the housing bubble that led to the recent economic crisis was almost exclusively in states and urban areas that use smart growth or some other form of growth-management planning. Not coincidentally, a similar property bubble led to Japan’s economic crisis in 1990. The administration’s livability policies are likely to make America’s next housing bubble even worse than the recent one.

#### Only a small elite will use HSR – no overall solvency

O’Toole 10 (senior fellow at the Cato Institute “High-Speed Rail” http://www.downsizinggovernment.org/transportation/high-speed-rail June 2012)

Thus, the costs of a true high-speed rail system would be far higher than the costs of a medium-speed system on existing tracks, as envisioned by the Obama administration. To build a 12,800-mile system of high-speed trains would cost close to $1 trillion, based on the costs estimates of the California system.12 It is unlikely that the nation could afford such a vast expense, particularly since our state and federal governments are already in huge fiscal trouble. Also, consider how the costs would rise even higher once a new rail system gets underway. The 12,800-mile FRA network reaches only 42 states and only a handful of cities in those states. Every excluded state and city is represented by senators and representatives who will wonder why their constituents have to pay for a rail system that only serves other areas. And even in the 42 states in the plan, routes are discontinuous, with no high-speed links between many pairs of major cities such as New York and Chicago. Groups representing all the excluded routes would lobby for rail lines, and overall costs would balloon over time. And the costs mentioned are only the capital costs. Most high-speed rail lines wouldn't cover their operating costs, so there would have to be billions of dollars in ongoing subsidies to the system. If the ridership on an expensive new rail system was very large, the high costs would seem more reasonable. But, unlike the interstate highway system, which is heavily used by almost all Americans, only a small elite would use high-speed rail. In 2007, the average American traveled 4,000 miles and shipped 2,000 ton-miles of freight over the interstate highways.13 By comparison, total annual use of a high-speed rail system would not likely be much more than 100 miles per person. And considering the premium fares charged to ride high-speed rail, most users would likely be higher-income white-collar workers.

#### No one will ride high speed rail

O’Toole 9 - American public policy analyst; senior fellow with the Cato Institute and author of The Best-Laid Plans: How Government Planning Harms Your Quality of Life, Your Pocketbook, and Your Future (Randal, “The High Cost of High-Speed Rail”, America Dream Coalition - Center for Economic Freedom Texas Public Policy Foundation, 8/09, http://www.americandreamcoalition.org/transit/HSRinTX.pdf)

High-speed rail plans in other parts of the country propose similar fare premiums. Midwest train “fares will be competitive with air travel,” says the Midwest High Speed Rail Initiative. Average “fares are estimated to be up to 50 percent higher than current Amtrak fares to reflect improved services.” Few people who pay their own way will spend an extra $79 to save an hour and 25 minutes of their time. But anyone who values their time that highly would be willing to pay an extra $20 to save an hour by taking the plane. Rail advocates respond that highspeed trains have an advantage over flying when adding the time it takes to get between downtowns and airports. Yet less than 8 percent of Americans work downtown. Who are they? Bankers, lawyers, and bureaucrats—high-income people who hardly need taxpayer-supported transportation. (Security screening also adds to flying time, but if any American high-speed train suffers an incident similar to the March 2004 attacks on trains in Spain, the Transportation Security Administration will probably require screening for high-speed trains as well as airplanes.) A tiny but growing number of people also live in many downtown areas, but these too tend to be wealthy or high-income people able to afford downtown property prices. In short, not only will most taxpayers have to subsidize the rides of the few who take high-speed rail, those subsidies will tend to go mainly to people who are already well off and have plenty of other mobility choices.

### Inefficient

#### **The plan uses more fuel than everyone driving an SUV**

O’Toole 9 (Randall, St Louis Post, <http://www.stltoday.com/news/opinion/editorial/high-speed-rail-is-expensive-and-inefficient-transit-many-lower/article_6a274e4d-4d57-5737-9848-1a55417759b2.html>)JFS

It is unlikely that moderate-speed train operations will save any energy at all. Such trains will mostly be Diesel-powered, and increasing speeds from 79 to 110 mph will significantly increase the energy consumption and greenhouse gas emissions of those trains. Saving energy requires that trains accelerate slowly and coast into stations rather than brake heavily, but such practices reduce the time savings offered by higher top speeds. True high-speed trains save energy by using lighter equipment, but the energy cost of higher speeds party offsets the savings from hauling less weight. Any remaining operational savings are not likely to be sufficient to recover the huge amounts of energy consumed and greenhouse gases released during construction of new rail lines. After studying high-speed rail proposals in Britain, Professor Roger Kemp of Lancaster University concluded that the construction costs dwarf any savings in operations unless the rail lines are used to their full capacity. With a round-the-clock average of just one train an hour in each direction, and no more than two trains a hour during the busiest times of day, even Amtrak’s New York-to-Washington corridor is far from full capacity. Electrically powered high-speed trains produce less greenhouse gases only if that electricity is generated from renewable power sources. Most electricity in the U.S. comes from fossil fuels, with the result that urban rail transit systems in such cities as Baltimore, Denver, Cleveland, Miami, and Washington generate as much or more greenhouse gases, per passenger mile, as driving an SUV, much less an ordinary car. It is far more cost-effective to save energy by encouraging people to drive more fuel-efficient cars than to build and operate high-speed rail. Moreover, in places that do generate electricity from renewable sources, it would be more cost-effective to use that electricity to power electric or plug-in hybrid cars than high-speed rail.