Hidden ‘subsidies’

Opponents of passenger rail say it doesn’t pay for itself. Well, neither does automotive transport or the airlines, but we seldom use the S-word with those industries.

By J.W. Madison

There are several major arguments against passenger rail and rail transit, arguments that continue to be heard all over New Mexico even though they’re wrong.

That’s because several are at least plausible.

One is pernicious. I call it the Subsidy Gambit. This little masterpiece of brainwashing just won’t go away, despite abundant evidence to the contrary. Its proponents whisper, white or about that passenger rail is “subsidized by the government” — that it “doesn’t pay for itself.”

As a scurrilous epithet, subsidy is the liberal or commie of transportation debates. It’s also a big, stinking red herring.

Subsidy — that is, public support — is the very food of transportation. But while passenger rail has to fight every year for scraps, our auto and air modes are stuffed so full they can barely move (literally).

Consider automobile subsidies:

- The costs of our roads, highways, signage, etc., are not nearly covered by drivers through road tolls and fuel taxes. They’re paid by everybody, driver or not.
- Same with the police, the courts, emergency personnel, ambulances and hospitals, about 25 percent of whose work is devoted to auto-related casualties and property damage.
- Same again with the health and economic costs of air pollution, continuous road maintenance, road closings and traffic jams.
- We all shell out for these through lost wages, lower productivity, higher taxes, higher medical bills and in the cost of everything we buy that was made somewhere else — which, unfortunately, is almost everything we buy.

- Our roads and highways are built on land that’s been “condemned”; that is, removed from the tax base, as opposed to the land under railroad bridges and rights-of-way, which is taxed.

TODAY’S BYLINE

Madison is president of Rails Inc., a New Mexico nonprofit group (nmrail.org) dedicated to restoring or improving passenger rail service to Albuquerque and local rail transit.

- There is an extensive and not widely understood subsidy structure underlying “free” parking and the accommodation of cars and their shelters in our residential and commercial buildings and on their lots.
- These costs are built into what we pay for houses, streets and consumer goods, whether you own one motor vehicle, several or none.
- Then there are the air subsidies:
  - Airports, control towers and associated structures are built and operated by tax-funded government entities, such as the Federal Aviation Administration.
  - Pilots, mechanics and some other workers are trained in large part by the military, saving the airlines a bundle.
  - Air traffic controllers and their support workers are civil servants, paid by all of us and at a lower rate of pay than they would earn as key corporate employees. They get “below market wages.”
  - As with highways, the often prime real estate under our many west airports has also been removed from the tax base.
  - The results of government-funded research, prototyping, testing and maintenance plans for military aircraft provide a free jump start for the manufacturers and caretakers of civilian aircraft, parts and maintenance equipment, as many civilian aircraft are adaptations of military aircraft.
  - Airlines enjoy some exemptions from federal antitrust laws, especially concerning the setting of fares.
- These road and air subsidies are by no means all bad. I, for one, think our air traffic controllers and emergency responders should be public servants.

And almost no one thinks we should plow up our rural and farm-to-market roads just because they’re not “profitable” through user fees. The problem is one of unfairness and favoritism.

The lopsided nature of our taxpayer-funded transportation support has led to the mess we’re making of our cities, suburbs and landscape — rampant (and subsidized) sprawl, gridlock, death, injury, personal and public insolvency, preventable disease, a dirty environment, even war and global warming.

A rail-anchored transportation system provides huge savings in fuel/energy consumption; very little death or injury; greater take-home pay, less “stress”; greater worker and business productivity; more open space preservation; and more “livable” communities. Trust me, this list goes on and on.

Rail is also the perfect complement to both renewable energy and the use of nonmotorized transportation — biking and walking advocates take note. Plus, people just like trains. All over the all-American, car-loving West, local and regional rail face opposition campaigns worthy of Karl Rove — opposition that shrinks dramatically about one minute after the trains start running. Just ask around those liberal hotheads, like Dallas, Salt Lake City and Calgary, Alberta.

A dollar’s worth of government (read public) support for well-run transit has been shown to return at least four dollars in benefits to the public. With rail-anchored transit, this return is much higher. Sounds more like a shrewd investment of the taxpayers’ money than a “subsidy,” doesn’t it?

Rail transportation in all its many forms is the wave of the future. If New Mexico is going to buck this wholesome trend or just keep stalling, let’s at least clear the air as to just who’s getting what handouts from where.