



KILLING AMTRAK FROM WITHIN

As Amtrak prepares to fight for its very existence, its own Board of Directors has abandoned its fiduciary responsibility and instead appears willing, at the direction of the White House, to put the carrier into bankruptcy. While the Board's strategy to dismantle Amtrak from within is being directed by an Administration that has long sought to end national intercity passenger rail, transportation labor will not stand for this abdication of responsibility and will once again mobilize to save this vital link in our transportation system.

The Board's true loyalties were exposed last week when, in its report to Congress that was expected to include a funding request, it instead sent a proposal for more internal "analysis" and "planning." While the Board's letter was full of confusing Washington speak – stating that "zero" is the right message...however "zero" is not the right number at this juncture", it is clear that its intentions are to follow the President's plan to bankrupt and then liquidate Amtrak. In fact, the Board acknowledges that even the threat of bankruptcy can hurt Amtrak's current financial stability, but by putting bankruptcy on the table the Board is potentially creating a self-fulfilling prophecy – a fact that it surely recognizes. Not even the now famous Enron Board, with all its malfeasances, called for the destruction of its own company.

In a bizarre departure, the Board of Directors has also taken to calling itself the "Amtrak Reform Board" although the Reform Board dissolved in 2003. Perhaps this is a nod to the defunct Amtrak Reform Council, which the Board has praised in its annual report. We know, of course, that the ARC's ill-conceived privatization plan – like that of the President's – is both unwise and unworkable.

In fact though the Board's actions are really not that surprising – the White House has stacked the Board with political donors and friends and those who share its ideology. Since it was created, the Amtrak Board has been bipartisan and, by statute, the President is supposed to consult with the Minority Leaders in Congress on its appointments. Clearly, this President is only interested in his agenda to dismantle passenger rail and intends to use the Board, if necessary, to accomplish this objective.

Already, there has been a cacophony of outrage from Republicans and Democrats across the country who sees the President's budget proposal and "reform" plan for what it is: the destruction of our national passenger rail system. The President's plan assumes states can support passenger rail. This huge financial burden comes at a time when many cities and states are mired in their own fiscal crises and are starving for more, not fewer, transportation options. Especially in rural areas, as Senator Conrad Burns (R-MT) pointed out, "it is critical to keep as many options as possible for passengers and commerce in our rural area." And editorial boards from the *Toledo Blade* ("... the administration can't find a correct way to kill Amtrak so it is attempting to starve it to death.") to the *New York Daily News* ("The federal transportation secretary wants us to believe that the best way to keep Amtrak choo-chooing across America is to starve it to death.") have railed against the President's plan.

Transportation Trades Department, AFL-CIO



The nearly 20,000 dedicated employees who have done everything possible to keep Amtrak going see the Bush plan as nothing more than a slap in the face. It is insulting to the men and women who help make Amtrak run every day and to the passengers that they serve. Furthermore, an Amtrak liquidation as the President proposes would have a devastating impact on the railroad retirement system. Thousands of rail workers in the freight and commuter side would see retirement, disability, widow and widower and unemployment benefits threatened and employers would see payroll taxes soar.

Transportation labor refuses to sit idly by while this Administration attempts to bankrupt our national passenger rail system stranding millions of passengers and sending thousands of Americans to already long unemployment lines. Amtrak workers have already paid too high a price for federal government neglect. They deserve better from this government and we intend to fight for what is right for them and for millions of Amtrak travelers.

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