

**PRESIDENT OBAMA'S ECONOMIC STIMULUS PACKAGE PROMOTES 21ST CENTURY  
TRANSPORTATION VISION OF “INTERSTATE II,” SAYS ITI'S GIL CARMICHAEL**

- \$8 Billion Targeted for High-speed, Intercity Rail Equivalent to Phase One of “Interstate II” -

**DENVER, CO, February 26, 2009** – In a speech entitled "Railroad-based ‘*Interstate II*,’" delivered to the Fourth Annual Railroad Night at Michigan Technological University in Houghton, Michigan, Gil Carmichael, Founding Chairman of the Board of Directors of the Intermodal Transportation Institute at the University of Denver and a former Federal Railroad Administrator, said the \$787 billion economic stimulus package, recently signed by President Barack Obama, is the most ambitious transportation infrastructure program put forth in the U.S. since the 1950s, when President Eisenhower initiated the development of the Interstate Highway System.

"Wrapped inside the \$111 billion devoted to much-needed infrastructure spending in his American Recovery and Reinvestment Act, Obama's stimulus plan very significantly allocates \$8 billion for intercity high-speed rail transportation and another \$1.3 billion for Amtrak," said Carmichael. "This is the first phase of what should be a three-part, high-speed, intercity transportation blueprint that will connect all our major cities, ports and airports via rail," Carmichael told the audience of students, faculty, and representatives from major railroads. "This is the first time an intermodal strategy, with a strong emphasis on rail, has been proposed by government to meet the North American transportation system's requirements for both freight and passenger transport."

Carmichael told the audience this new approach represents the most economical, fuel-efficient, and environmentally sustainable vision for improving our transportation network in this country, and it will help us achieve energy independence. Carmichael calls this new vision of transportation *Interstate II*, as opposed to the 43,000-mile, four-lane “Interstate I” Highway System that was begun 50 years ago; and said “President Obama clearly understands this necessary, new approach to meeting 21st century transportation needs.”

"The nation has enough highways, albeit, most of them are badly in need of repair and suffering from massive gridlock due to a doubling of our population since they were built. What the U.S. does *not* have is a rail-based, intercity, rail transportation network like that in Europe and Asia. In those parts of the world, where fuel was priced higher, electric high-speed trains carry hundreds of passengers safely and efficiently between cities and connect to and from major airports. North America has a huge rail system already in place, serving 90 states and provinces with 240,000 miles of route. The rights-of-way are already paid for, and the private sector has done much to upgrade them; but they have been vastly under-utilized for years. Our rail system right now carries only 25 percent of capacity since most of it is single-tracked. By adding 30,000 miles of double- and triple-tracked rail, with grade separations, to our existing system, we can create three times more capacity, connecting millions of people to not only ports, but to airports and center cities, greatly relieving the stress on our overburdened highway system."

Carmichael pointed out that Obama's new infrastructure plan would expand the originally recommended six, intercity, high-speed rail corridors to 13 intercity corridors in phase I and would create developmental partnerships between the private sector and state DOTs. Furthermore, it would be administered by the Federal Railroad Administration, as it should be, and would be fully paid for under the recovery act -- not by matching funds.

He also pointed out that the railroad is the only mode of transportation that easily converts to electricity should the world's fossil fuel supply continue to decline, as many predict. It would also offer a vastly more environmentally friendly and ethical form of transportation, providing nine times the fuel efficiency as highway transportation, while operating at speeds of up to 90 miles-per-hour for freight and up to 125 miles-per-hour for passenger transit. "In the foreseeable future, the railroad mode is the only candidate for large-scale benefits from the electrification of a new energy grid, such as President Obama is talking about," said Carmichael. "Electrifying the U.S. rail system would make sense in a future of oil scarcity and would provide us with a 'greener' carbon footprint as we move toward cleaning up the global environment."

"Our nation is experiencing a wrenching reshaping during this time of economic volatility, and by mid-century our lifestyle will be very different from today. Our nation urgently needs a new vision for its outmoded transportation system, and the President's new policy is a step in the right direction," summarized Carmichael. "Phase I of *Interstate II* represents an important policy shift toward developing and maintaining a 21st century, intermodal transportation network, based on greater cooperation between the freight and passenger rail segments. It will greatly enhance our intercity transit needs. In the future, to build new, national transportation programs, such as *Interstate II*, partnerships between the government agencies and the private-sector railroads must be promoted. Investing \$100-200 billion over the next 15-20 years will create huge numbers of needed jobs, stimulate economic growth, and provide us with a beautiful, 21<sup>st</sup> century, high-speed, intermodal freight and passenger system."

### **About ITI**

The Intermodal Transportation Institute at the University of Denver offers an Executive Masters Program that awards a Master of Science in Intermodal Transportation Management from the University of Denver. This graduate degree program prepares transportation industry managers for the increasingly complex, global business environment where knowledge of finance, quantitative processes, supply chain, law, and public policy issues as well as freight, passenger, and intermodal transportation operational strategies are critical management tools for success. For more information on the ITI Executive Masters Program call: 303-871-4702 or visit: [www.du.edu/transportation](http://www.du.edu/transportation).

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