The politics of HS2

John Tomaney

Presented at OMEGA Centre, UCL, 20th May 2015
Edward Bawden, The Rocket, c.1950, National Railway Museum
Themes

- A post-democratic age?
- Building railways: a brief history
- HS2: the long and winding road
  - The shifting case
  - Believers and non-believers
  - HS2 and regional development
Parabola of democracy

Post-democracy

“A post-democratic society therefore is one that continues to have and to use all the institutions of democracy, but in which they increasingly become a formal shell. The energy and innovative drive pass away from the democratic arena and into small circles of a politico-economic elite.”

Source: http://blogs.lse.ac.uk/politicsandpolicy/five-minutes-with-colin-crouch/
The London and Birmingham Railway cuts through Camden Town in 1836-37, J C Bourne
“The commercial world thought him extravagant but although he was so, great things are not done by those who sit down and count the cost of every thought and act”

- Daniel Gooch (1816-1889) chairman of the Great Western Railway, epitaph on Isambard Kingdom Brunel, quoted in Financial Times, 11.9.13
Image: Painting out the GWR logo on a Great Western Railway delivery lorry at Paddington Goods Depot on 31 December 1947, the eve of the nationalisation of Britain’s railways (Source: BR Western Region archives)
“Some public policies are worth doing because they are known to be value for money. Others because they promote a moral cause. Then there are a few that are bold, visionary gambles; the stuff of Kennedy dreams and Sorensen prose. (What was the benefit-cost ratio on the Apollo moon project?) In a democracy politicians have the right to pursue them all. But when an empirical case is made before one is established, and for a policy that is ultimately political, a government is in trouble. I think that is the stage we are at with HS2.”


“If we hadn’t built Canary Wharf, how many of the jobs there would be in Frankfurt instead? I find it incredible that we are solemnly judging HS2 without any calculation of the potential investment would flow elsewhere if we were to lose our nerve and abandon it. But that is the basis on which the debate is being consulted.”

Lord Heseltine quoted in Planning, 12.11.13
<table>
<thead>
<tr>
<th>Year</th>
<th>Report</th>
<th>Author</th>
<th>Keynotes</th>
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| February 2004 | High Speed Rail: International Comparisons     | Commission for Integrated Transport (CfIT) | - International market differences due to geographical and demographic factors  
- Britain traditionally had a well developed conventional rail network  
- No apparent lack of capacity  |
| 2005       | High Speed Line Study                          | WS Atkins                     | - Overcrowding on lines is forecast  
- High investment cost in HSR, but economic case exists under specific conditions  
- Proposed opening date 2016 |
| December 2006 | The Eddington Transport Study                  | Sir Rod Eddington             | - Local (short distance) connections are more likely to improve the national economy rather than long-distance ones  
- There are strong doubts about real benefits of HSR  
- HSR is not going to contribute to carbon reduction  
- Long-distance connections can be addressed by other more effective and less costly solutions than HSR |
| June 2007  | HS2 Proposition, the WCRL corridor             | Greengauge21                  | - HSR is the best way to address the capacity shortfall  
- HSR is not as costly as previously evaluated  
- HSR network would provide continuity to HS1  
- Demand on the West Coast Main-Line (WCML) will reach capacity and a high speed connection along its corridor will boost national economy |
| January 2009 | High Speed Two                                 | Dept. for Transport           | - A new (government) starting point to consider HSR  
- Create a company (HS2) to work on specific network planning  
- Overcrowding the main problem for the HSR to address |
| September 2009 | The Case for New Lines                         | Network Rail                  | - A proposal for network configuration and service patterns  
- London the focus of the new network/line  
- WCML the alignment of the first HSR to be built |
| September 2009 | A Step Forward                                 | Greengauge21                  | - Including the East Coast Rail Line (ECML) and the Great Western Main Line (GWML) in the network.  
- Consider the upgrade of lines (rather than new lines) a slower but more cost effective solution for part of the HSR network  
- The length of the network considered is double that of Network Rail’s proposal. |
| February 2011 | High Speed Rail: Investing in Britain’s Future, Consultation Document | Dept. for Transport           | “The Government is committed to building a competitive and dynamic economy for the long term. But a 21st century economy needs 21st century infrastructure. That is why we are prioritising the projects that will support economic growth and job creation, while delivering on our climate change targets” (DfT, 2011, p. 5). |

The programme is at an early stage

- **January 2012**: Decision to proceed with High Speed 2
- **October 2013**: Published date for introduction of hybrid bill for phase one
- **December 2013**: Department's planned date for introduction of hybrid bill
- **January 2017**: Start of main construction on phase one
- **March 2026**: End of main construction on phase one
- **Phase one opens to passengers**
- **Phase two opens to passengers**

**Current stage of High Speed 2 programme**

- **May 2013**: Introduction of paving bill
- **May 2015**: Royal assent for phase one hybrid bill
- **June 2016**: Award of phase one main construction contracts

*Source: National Audit Office analysis*
<table>
<thead>
<tr>
<th>Destination</th>
<th>Now:</th>
<th>HS2:</th>
<th>Saving</th>
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<tbody>
<tr>
<td>Birmingham</td>
<td>1hr 24min</td>
<td>49min</td>
<td>35min</td>
</tr>
<tr>
<td>Nottingham</td>
<td>1hr 44min</td>
<td>1hr 08min</td>
<td>36min</td>
</tr>
<tr>
<td>Sheffield</td>
<td>2hr 05min</td>
<td>1hr 19min</td>
<td>46min</td>
</tr>
<tr>
<td>Leeds</td>
<td>2hr 12min</td>
<td>1hr 22min</td>
<td>50min</td>
</tr>
<tr>
<td>Manchester</td>
<td>2hr 08min</td>
<td>1hr 08min</td>
<td>60min</td>
</tr>
</tbody>
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Source: DfT
High Speed 2 route

High Speed 2 will run from London to Birmingham, Manchester and Leeds

- HS2 Station
- HS2 destination served by HS2 classic compatible services
- Core high-speed network (phases one and two)
- HS2 connection to existing rail network
- Classic compatible services on West Coast Main Line
- Classic compatible services on East Coast Main Line
- Existing lines with potential for future connection to HS2

Source: Department for Transport
STOP HS2

No business case. No environmental case. No money to pay for it.

www.stophs2.org

OK, IT'S A WHITE ELEPHANT BUT IT'S A FAST WHITE ELEPHANT.

"The greatest enemy of the truth is very often not the lie, but the myth — persistent, persuasive and unrealistic"

- JFK

Source: www.stophs2.org, 2012
The route of HS2 through parliamentary constituencies

Source: http://www.bbc.co.uk/news/uk-16473296
The annual report for the Chesham and Amersham Conservative Association, written by Andrew Garnett, its chairman since 2011, said: “The downward trend in membership began when the Government announced the HS2 scheme. Our membership has fallen, activists have resigned, and branches have folded as a result of this folly.”

Bob Woollard, the chairman of the Conservative Grassroots organisation, said: “Members are leaving the party because they are not seeing Tory policies. Grassroots members are fed up to the back teeth of the Lib Dem tail wagging the dog. A lot of other issues like HS2 and fracking have also been badly handled and have upset a lot of activists.”

- “Gay marriage and HS2 hit local Tories”, The Telegraph, 1.10.13
A once-in-a-generation chance to reshape our economic geography; bring our key cities closer together; regenerate our urban centres; and tackle the North-South divide that has held this country back for far too long.

By tackling the North–South divide through transport infrastructure, we can start to address those economic disparities that have held the country back for too long and take decisions that will promote long-term, sustainable growth in the North and the Midlands.

- Phillip Hammond, MP, Secretary of State for Transport

Their lawns or our jobs?

Support Manchester
Support High-Speed Rail

Source: Daily Mail, 20.6.11
“It is not clear how High Speed 2 will deliver the Department’s strategic objective of delivering and rebalancing economic growth. The Department estimates the line will support 100,000 jobs through development around stations, and in constructing and operating the line. It does not know how many jobs would be created without this investment. The benefit–cost ratio includes a calculation of wider economic impacts. This recognises that improving transport connections and reducing transport costs brings benefits to businesses and workers, but does not attribute impacts to specific locations. HS2 Limited has recently commissioned work to understand the likely impacts of High Speed 2 on regional economic growth.”

“I now fear HS2 could be an expensive mistake. It perversely represents a shifting of rail resources away from the north to the southeast commuter belt. All the parties – especially Labour – should think twice before binding themselves irrevocably to HS2. It is not all it seems and has the potential to end up a mistake, damaging in particular to those people that it was intended to help.”

– Peter Mandelson, “Why I no longer support a new high-speed railway line for Britain”, Financial Times, 2.7.13
“If you gave England’s biggest cities £10 billion each for economic development would they spend it on HS2?”

- Alistair Darling (2013) “HS2 must terminate here. All change please”, *The Times*, 23.8.13
Grant Shapps MP @grantshapps
New figures out today show that 1.4m additional private sector jobs have now been created under this govt. RT > pic.twitter.com/L5DsBQV5M2

David Cameron @David_Cameron
Unemployment falling by 24000 is welcome news.

David Cameron @David_Cameron
The fightback on #HS2 begins today with the Transport Secretary, Patrick McLoughlin, highlighting the huge benefits to the UK & our economy.
“HS2's 'doubters and defeatists' are risking Britain's future, says Patrick McLoughlin”, *Daily Telegraph*, 25.11.13
“I’m passionate about this project. Time and again we have this debate about how we’re going to bridge the gap between the north and south, how we’re going to make sure growth is not just in the City of London. High Speed 2 is about changing the economic geography of this country, making sure the north and the Midlands benefit from the recovery as well.”

– George Osborne, quoted in Financial Times, 1.9.13
Now I’m **passionate** about this, we need to build new railway lines in our country. We haven’t built a line north of London for 120 years. Now when people challenge me about HS2 I say this: the West Coast mainline is full. Thousands of our fellow countrymen are standing everyday as they come in to Euston or they go into Birmingham. We need to build another West Coast. So the choice for us as a country is, do we build one of the old Victorian style railways or do we build one of these new intercity lines. I believe it’s absolutely right to make this investment. It’s going to unite our country, drive economic growth, make sure our economy shares growth between the North and South, it will link 8 of our 10 biggest cities.

“…Britain needs an infrastructure project on a grand scale”

- “Editorial”, The Sun, 30.10.13
HS2 and regional development
KPMG Study September 2013

“The methodology employed makes the implicit assumption that transport connectivity is the only supply-side constraint to business location. In practice, there could be other constraints that could inhibit the potential location effects, such as the availability of skilled labour and land in a given location. Therefore, in order to realise the potential forecast impacts on business location across Britain, there may be a need for complementary changes to create an environment in which businesses can develop” (para 5.3.2)
Government’s defence of HS2 shot down by one of its own advisers

By Mark Odell, Transport Correspondent

The claim by ministers that the proposed high-speed rail line between London and the north could give the UK economy an annual boost of £15bn has been labelled “fanciful” by one of the government’s own transport advisers.

The estimate of how much the £42.6bn High Speed 2 scheme could help lift GDP was a key part of the defence of the project mounted by Patrick McLoughlin, transport secretary, in a wide-ranging speech on Wednesday that sought to draw a line under weeks of intense criticism of the project.

But Dan Graham, a professor of stats at Imperial College London, told the Financial Times the estimate was “arguably the most fanciful of all the fanciful parts of the HS2 story.”

But Professor Henry Overman, professor of economic geography at the London School of Economics and an adviser to the government, said the methodology used to reach the £15bn figure was “technically wrong.”

HS2 expert doubts scale of boost to UK economy

By Mark Odell, Transport Correspondent

Fresh questions have been raised over the government’s claim that high-speed rail could boost the UK economy by £15bn a year, with one of the country’s leading urban policy experts pointing to “major” technical flaws in the estimate.

The forecast was unveiled this week by Patrick McLoughlin, transport secretary, as part of efforts to rebuild the case for HS2 – the proposed £42.6bn line between London and the north – in the face of mounting opposition.

But Professor Henry Overman, professor of economic geography at the London School of Economics and an adviser to the government, said the methodology used to reach the £15bn figure was “technically wrong.”

China’s Guangdong
BRIGHTON IS SO BRACING

IT'S QUICKER BY RAIL,
BUT IT'S CHEAPER BY SHANKS'S PONY

Source: The Guardian, 24.9.13
I don’t believe Labour in the end will go wobbly on it, because they’d be completely turning their backs on the north of England. They would be betraying people in Yorkshire; they would be letting down the people of Manchester.

- David Cameron, UK Prime Minister

“… the once in a century Potential of HS2 … We believe Manchester is ahead of the game and well-placed to capture the benefits of HS2, especially as we would have two stations, but it’s important that we do all we can as soon as we can to seize the benefits and start Writing our HS2 success story.”

- Sir Richard Leese, Leader, Manchester City Council

“Cameron warns north of Labour betrayal over HS2”, Financial Times, 27.9.13

“City leaders roped in to support government on HS2”, Local Government Chronicle, 29.10.13
HS2 Growth Taskforce:

- Look at and learn lessons from the British and international experience of driving growth from major infrastructure investments; and bearing in mind affordability, set out options and make recommendations on:
  - how can we use HS2 as a local catalyst for economic growth and regeneration around the stations and surrounding communities
  - how can we maximise the regional and national growth opportunities
  - the potential to use the buying power of HS2 to improve supply chains and manufacturing capacity across the UK;
  - how we make British industry ready to respond to the opportunities
  - and how we maximise jobs and ensure that the UK workforce is ready for the opportunities that HS2 will provide

HS2 Growth Taskforce:

Membership

Lord Deighton (Chair), Commercial Secretary to the Treasury
Sir Howard Bernstein, CEO Manchester City Council (deputy)
Sir Albert Bore, Leader Birmingham City Council
Sir John Rose, Deputy Chairman Rothschild Group
Frances O’Grady, General Secretary of TUC
Neale Coleman, Mayor of London’s Adviser on Olympic Legacy
Prof Tony Venables, Oxford University
Alison Nimmo, CEO Crown Estate
Pete Waterman, Cheshire and Warrington LEP
Cllr Julie Dore, Leader Sheffield City Council
Cllr Matthew Colledge, Leader of Trafford Council
Lorraine Baldry, Chair of London and Continental Railways
Ray O’Rourke, Chairman Laing O’Rourke
Steven Norris, businessman and former Transport Minister
Roger Marsh, Chair of the Leeds City Region LEP
Pete Waterman predicts HS2 will be smash hit

By Andrew Bounds

If Pete Waterman knows as much about trains as he does about pop music, HS2 will be a sure-fire hit. The co-producer of more than 100 top 40 records has emerged as one of the most strident voices in the government fightback against critics of the £42.6bn line.
Forward to years of Tory-led growth.
*Oct 2014 figure represents average support/opposition to Phase 1 and Phase 2 combined.
“Evidence from Madrid–Seville HSR line in Spain shows how the opening of the line led to reduced service levels on conventional rail services as, first, demand shifted to the new HSR line and the level of service on the conventional network was reduced, and, second, public funds were directed to operating and maintaining the new lines rather conventional lines, with adverse effects on cities located on the conventional network” (Martínez Sánchez-Mateos, and Givoni, 2012)

“This is the cruel reality. If millions of Parisian are still struggling every day on the train, it is mainly because of the TGV. In a 2010 report, the Court of Auditors founds that ‘delays accumulated over twenty years in the Île de France investments are due ‘mainly’ to the fact that SNCF (and the state) prioritised high speed lines. The situation is the same in the provinces. (Maussion, and Filipino, 2013; my [possibly inadequate] translation)

Grand Central Railway


Source: Financial Times, 20.8.13
This week’s decision by the UK government to go ahead with the controversial high-speed rail link between London and Birmingham risks being looked on by future historians with equal puzzlement ... The case against smaller incremental adjustments on the west-coast line rests on forecasts of long-distance travel demand that appear questionable ... The benefits to passengers from the high-speed link are also overstated. Behind government thinking there is an assumption that all the time that business travellers spend on a train is wasted. While there is a benefit to speed, this is a somewhat questionable proposition – as proven by the number of laptops open in the carriages that run up and down the country every day ... while most government-sponsored schemes are likely to result in job creation, policymakers should always question which projects do so most effectively ... hopes that the link will help to regenerate the north may be overstated. Evidence from a range of other countries shows that the main beneficiaries of high-speed railway lines tend to be the largest hubs on the route – which in this case will be London (10.1.12)

c.f. “A stronger case for a costly train line”, Financial Times, 29.10.13
The revised case for a high-speed railway still rests on some dodgy assumptions

Having been ridiculed for assuming that businessmen do not work on trains, the department has lowered its estimate of the value of their time that would be saved by moving more quickly. But it now thinks many more businessmen will use fast trains to get about. Last year the government assumed that 30% of passengers between London and Sheffield would be travelling on business. It now thinks 64% will be. Because business travellers’ time is accounted five times more valuable than other people’s time, this hugely flatters the business case. If the new estimates, which are based on a survey carried out in 2004 and 2005, turn out to be too high, the case for HS2 would be far weaker. Few alternatives to the high-speed service have been looked at in depth. The possibility of extending trains or putting in better signalling are unappealing both to engineers keen to crack on with a large infrastructure project and to politicians keen to talk about an “engine for growth”. (2.11.13)
Playing sardines

“Politicians love cutting ribbons. But HS2 increasingly looks like an expensive answer to a problem with several solutions (“High-speed rail: playing sardines”, 31.8.13)

Still off-track

“The notion that HS2 would transform the Midlands and the north is nonsense. High-speed railways in other countries have mostly benefited central cities by alleviating the need for regional offices. Existing long-distance routes would probably see fewer trains, harming some of the cities along them. So Birmingham’s gain could be Coventry’s loss. And the north is bigger than London-based ministers seem to think. Leeds and Manchester might do well, but the north of England stretches well beyond them.” (2.11.13)
Why growing resistance to HS2 will probably not prevent it being built

Despite its problems HS2 may cling on in Parliament. Both parties are keen to be seen showing support for public investment and the alternatives are politically unpopular. Politicians are unlikely to propose them over a fast new train any time soon. Later next month a revised business case will be made for the high-speed line. Party figures are already rallying around to show their support. With this kind of political momentum trivialities such as whether it makes economic sense could fall by the wayside as HS2 speeds ahead (14.9.14)
• Challenge
  – Proposals for the first phase of HS2 attracted opponents amongst environmentalists concerned about the carbon footprint, community groups concerned about damage to areas of outstanding beauty, dissident rail experts who advocated alternative plans and those ideologically opposed to transport ‘grands projets’.
  – Ministers and civil servants were legally constrained from comment, and support amongst civic and business groups was undeveloped.

Activities

- Started an early-morning rebuttal operation that helped push back on false assertions and myth generation by opponents of high-speed rail.
- Mobilised stakeholders through regular webinars, community meetings and direct mail to recruit a panel of 1,000 supportive businesses and an alliance of pro-HS2 groups.
- Launched a press operation supported by on-the-ground events such as the “Yes for Jobs” bus tour to generate positive stories.
- Worked with MPs to help form a new All-Party Parliamentary Group which has launched an inquiry into the viability of alternatives to HS2.
• Results
  – HS2 now has a well-organised support system with clear messages and advocates in the media, Parliament, regions and business community
  – Pressed “the reset button”, moving the debate from sensitive environmental issues and onto winnable economic questions
  – Potentially critical Parliamentary Select Committee on Transport report on HS2 was largely supportive following formal evidence and supporting material from the campaign
The APPG has attracted support from all the major parties.

The Campaign provided spokesmen for all major channels.

Regional and specialist media were critical.

The Campaign created a panel of 1,000 supportive businesses.

Facts were subject to Tweet-wars, which the campaign largely won.
“HS2 is a much-needed investment in infrastructure for the future. Building it on time and within budget is well within the capabilities and ambition of the British construction industry … No economic reading can fully capture the wider range of benefits that such a nationally important, high-capacity network can deliver”

(The Telegraph, 6.9.13)
“Proper research into public projects of doubtful efficacy, such as HS2, would cost only a fraction of the amount of public money at stake. The ‘business case’ for HS2 does not merit the title of research. Instead, bogus modelling and sham consultation are used to give an appearance of due process rather than to illuminate real issues”, John Kay (2013)

- “High time to abandon the spurious case for a high-speed railway”, Financial Times, 27.8.13.
SNAKE-OIL LINIMENT

RELIEVES INSTANTANEOUSLY

AND CURES: HEADACHE, NEURALGIA, TOOTHACHE, EARACHE, BACKACHE, SWELLINGS, SPRAINS, SORE CHEST, SWELLING of the THROAT, CONTRACTED CORDS and MUSCLES, STIFF JOINTS, WRENCHES, DISLOCATIONS, CUTS and BRUISES.

It quickly takes out the Soreness and Inflammation from Corns, Bunions, Insect and Reptile Bites.

The best External Preparation for CYCLES and ATHLETES. It makes the Muscles supple and Relaxes the Joints. Loosens the Joints and gives a feeling of Freshness and Vigor to the whole System.

SNAKE-OIL LINIMENT CURES ALL ACHES AND PAINS.

If you are suffering from Rheumatism, ALWAYS take LA-CAS-KA internally for the Blood and use SNAKE-OIL LINIMENT externally. When used together we GUARANTEE A CURE in every instance or MONEY REFUNDED.

If You Are Afflicted With DEAFNESS

Get Our Specially Prepared

PURE Rattlesnake Oil
A political decision that is at first finely balanced becomes immutable dogma thereafter. The tribe forms into a baggage train, with attendant consultants, lobbyists, journalists and "experts", all of them "on message" and most with money at stake. They become motivated not by the right thing to do but by loyalty, a good headline, an opponent crushed and, above all, the "impossibility of a U-turn".

Conclusions

• Politics, policy and evidence
• Corporate power and infrastructure priorities
• The politics of infrastructure in a post-democratic age
Notes

- http://www.theguardian.com/uk-news/2013/nov/17/unions-ed-balls-hs2-labour