

He Thinks He Can

Jerry Brown is trying to will California's high-speed rail into existence.

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Jerry Brown is not, shall we say, America's most conventional governor. In his State of the State address last month, he showed off a set of playing cards adorned with action shots of his Welsh corgi, Sutter. Each card included a dog-related *bon mot* highlighting the importance of keeping state spending within limits: "A prudent corgi knows to nibble at his kibble." "Save some biscuits for a rainy day." "Bark if you don't like deficits."

The message was clear. While California had recovered from an epic fiscal hole and now showed a healthy surplus—not bad for a man once derided as "Governor Moonbeam"—Brown insisted that now was not the time to return to what he considered profligate overspending. Quoting the book of Genesis, Brown recounted advice delivered by Joseph to the Pharaoh: "Put away your surplus during the years of great plenty so you will be ready for the lean years which are sure to follow."

But there is one project Brown has decided not to save for the future, his Great Pyramid of Giza: building the nation's first high-speed rail line, one of the largest infrastructure projects in U.S. history, with an estimated price tag of \$68 billion—if not higher. Shovels are poised to hit the ground this year on the first section of track, the latest advance in Brown's 32-year quest to erect something he believes befits the image of California as a "land of dreams."

"We aren't all Twitter-holics that have to have instant gratification after 140 characters," Brown said at a recent press conference. "We can take a few years and build for the future, and that's my sense here, that I'm coming back to be governor after all these years. It's been on my list for a long time."

But just as this promise is on the verge of being realized, a combination of longtime opponents, Congress and the courts could derail it permanently. Brown has had to scramble to save his cherished project, including using some controversial budget tactics that have split traditional allies. It's not yet clear whether Brown can hold together enough support for the bullet train to survive.

And he knows it. In his Jan. 24 speech, the governor drew upon every pro-train talking point in his arsenal, including an ad-libbed summary of the *Little Engine That Could*, rhythmically chanting its signature line, "I think I can," four times. "And over that mountain, the little engine went," he exhorted. "We're gonna get over that mountain, have no doubt."

Brown signed the first bill authorizing a study of high-speed rail in 1982, recognizing the technology's potential after seeing the successful Shinkansen trains in Japan. At the time, the far-flung concept fit with the "Governor Moonbeam" label, a stinging sobriquet first bestowed on him by Chicago pundit Mike Royko. (Though Brown would be quick to point out that the radical concept that earned him the moniker, launching a state emergency communications satellite, actually came to pass.) But at the heart of Brown's proposal was a practical solution to address the problem of how to get people where they needed to go.

In 1982, California had a population of around 24.8 million people. Now that number is 38.4 million, and it's

projected to surge over 50 million by 2050. All those Californians have to move around for business and recreation, and they often find themselves paralyzed by the state's legendary congestion. (Drivers in the Los Angeles and San Francisco regions spend an estimated 61 hours sitting in traffic per year, according to a 2011 report, among the worst in the country.) This not only reduces quality of life, but adds to what Brown believes is an unsustainable dependence on fossil fuels, a longtime interest (he helped get the first large wind farms in the U.S. built in the early 1980s). "Each year, our motor vehicles use more than 14 billion gallons of gasoline to travel over 330 billion miles," Brown said in his Jan. 24 speech, reaching for a celestial analogy: "To put those numbers in perspective, the sun is 93 million miles away."

To Brown, high-speed rail offered a way out of this box, helping to reduce congestion and greenhouse gas emissions while creating jobs and opportunity. Trains have not historically been part of the transportation mix in California; as Brown pointed out last year, the top speed of current rail lines in the Tehachapi Mountains in the center of the state is 24 miles per hour, the same as it was in the 19th century. But high-speed electric trains, which could traverse the 520 miles from San Francisco to Los Angeles in 2½ hours, would eliminate millions of car trips and plane flights, while building up development around station stops and increasing options for residents. A worker in Los Angeles could live 100 miles away in San Diego or Bakersfield and still have a manageable commute.

Over the entire enterprise looms the legacy of Brown's father. While governor from 1959-1967, Pat Brown built the University of California system, intra-state highway network and water infrastructure that arguably drove the Golden State's prosperity for decades into the future. All told, in the 1960s, California added 2,215 miles of freeways in a tar-and-asphalt frenzy that entrenched the state as America's car capital, depicted in movies like *Rebel Without a Cause* and *American Graffiti*. "His father used current money to fulfill long-term needs," says Rod Diridon, a former board member of the California High Speed Rail Authority (CHSRA) and executive director of the Mineta Transportation Institute at San Jose State University. "If we didn't have that now, we'd be dead."

Pat Brown's intra-state highway project might have made sense in the 1960s, but it led to the very carbon emission escalation that his son wants to reverse through high-speed rail. So to Brown the Younger, the project represents both an effort to keep up with his father's visionary long-term development and a mission to clean up the unintended consequences of that development. It makes high-speed rail as desirable to Brown on personal terms as it is necessary on economic and environmental ones. As nice as it is to maintain a balanced budget, you can't put your name on it.

Not long ago, the project looked like a sure bet. In 2011, 28 years after his first gubernatorial term ended, Brown found himself back in the governor's office in Sacramento with a plan for high-speed rail on his desk and the voters behind him. Three years earlier, Californians had approved Prop 1A, authorizing \$9.95 billion in bond sales to finally begin the rail line. And Brown had a federal partner in President Obama, who was also looking for a legacy infrastructure project to rise out of the Great Recession, the way the Hoover Dam and Golden Gate Bridge lifted America's spirits and created jobs during the Depression.

Obama included \$8 billion in high-speed rail funds in his 2009 stimulus package, envisioning a national network. "Imagine whisking through towns at speeds over 100 miles an hour, walking only a few steps to public transportation, and ending up just blocks from your destination," he said in announcing the move. But states like Wisconsin, Ohio and Florida returned their funds after flipping to Republican governors in 2011. California gladly scooped them up, maxing out at \$3.5 billion in federal money. But with all other projects stalled,

Obama's bullet train goal now relies almost entirely on California, and on Jerry Brown. At stake is a theory of activist liberal government that can serve public needs and make good on its expansive promises.

In promoting high-speed rail, Brown has had to contend with the lament that California, just a few years earlier saddled with a \$60 billion deficit, is mired in perpetual decline and unable to take on big challenges. These naysayers, Brown said in 2012, have always been around. "During the 1930's, The Central Valley Water Project was called a 'fantastic dream' that 'will not work.' The Master Plan for the Interstate Highway System in 1939 was derided as 'New Deal jitterbug economics,'" Brown explained. "The critics were wrong then and they're wrong now." Brown labeled his critics "declinists," and rejected their viewpoint, adding "I know this state and the spirit of the people who choose to live here." High-speed rail wasn't just an infrastructure project in California, but the very symbol of the state's possibility.

Brown's biggest hurdle has been reconciling the huge expense of high-speed rail with his overriding demand to live within California's means. "He is literally an austere human being," says Robert Cruickshank of the California High Speed Rail Blog, referring to the governor's famous use of a beat-up Plymouth and a rented apartment with a mattress on the floor during his first two terms. (He now lives in a downtown loft in Sacramento.) Brown's personal austerity has carried over into his budget discipline; in fact, advocates for the poor have criticized him for failing to restore more public services cut during the Great Recession.

But Brown actually sees the high-speed project as a source of potential savings. "If you believe that California will continue to grow, as I do, and that millions more people will be living in our state, this is a wise investment," he said. "Building new runways and expanding our airports and highways is the only alternative. That is not cheaper and will face even more political opposition."

Diridon, a fervent advocate of the rail project, estimates that 4,000 additional lane-miles and two international airports would be needed to accommodate the expected population increase. "With highways and airports, you spend twice as much money and only solve the problem by 2060, when you will have to do it again," he says. "It's half as expensive to build a sustainable system that does a better job for twice the period of time."

Right now, though, the critics seem to have the whip hand. Opponents of high-speed rail have carried out a relentless, years-long effort to undermine it. Well-funded studies attacked the ridership estimates (though independent peer reviews reached different conclusions). NIMBYs wanting to avoid impositions on their land prolonged disputes over routes, creating increased costs that they then criticized. Most critically, officials at CHSRA never provided a definitive blueprint for the full \$68 billion in financing. "This would be nice to have, but \$55 billion is still needed, which is more than we spend on infrastructure across the entire nation," says Rep. Jeff Denham, a Central Valley Republican who chairs a rail subcommittee in the House. Recent polling shows a majority of Californians would rather scrap the project.

A bevy of obstacles are now threatening to stop the train in its tracks, just as the first section, between the Central Valley towns of Fresno and Chowchilla, is to begin construction. The Republican takeover of the U.S. House of Representatives, hostile to any Obama-backed initiative, blocked new federal dollars for the project, which CHSRA had been counting on in its business plan. Opponents filed suit, arguing that the business plan was now insufficient and illegal under the statute. After five years of mostly unsuccessful legal battles, this argument won in Sacramento Superior Court in late November. Judge Michael Kenny ruled that the state could not sell future bonds to finance the first leg of construction until they redid the business plan to specify sources of funding "that were more than merely theoretically possible." Brown appealed the ruling, charging that "the

trial court's approach cripples government's ability to function." The case has been sent to a state District Court of Appeal for an expedited review.

Judge Kenny's decision also put the federal stimulus funds in jeopardy. Agreements with the Federal Rail Administration require a state match for the funding, with the first \$180 million due in April. Without the bond issue, the state would not have the federal match, and spending on the project would essentially freeze. Washington could even try to claw back \$397 million in federal funding already spent.

Needing to find funding, Brown laid out a plan in his most recent budget. He would take \$250 million from the sale of carbon allowances in the state's cap-and-trade emission reduction program, about 19 percent of the total, and devote them to high-speed rail. This would lead to an annual appropriation from cap-and-trade, a long-term commitment that Brown hopes will unleash the private sector, which has thus far been reticent to provide funding. "By demonstrating the state commitment, we can show private investors that this is actually going to happen," says Mary Nichols, head of the California Air Resources Board, which administers the cap-and-trade program.

Brown's desperate maneuvering, though, created a new and unlikely group of opponents: environmentalists. The Sierra Club of California, despite supporting high-speed rail, announced formal opposition to the funding through executive director Kathryn Phillips. "The problem with putting money into high-speed rail is that according to their own analysis, we won't get emissions benefits until 2022," says Phillips. "When given the choice between whether or not this money should be spent on high-speed rail or trying to protect the planet from devastating climate change, my members are in favor of protecting the planet." Phillips thinks the money should go to improving the auto fleet, adding to state infrastructure for electric vehicles and reducing diesel emissions that create particulate matter in the air.

Nichols counters that the first scoping plan for AB32, the law that created the cap-and-trade system, included high-speed rail. Though some believe the law stipulates that all funds must go toward the reducing emissions to 1990 levels by 2020, Nichols disputes this. "Is 2020 a magic number? No. We have goals out to 2050."

But the environmental split adds to the impression of a project imperiled on all sides. California's congressional delegation is, predictably, split on partisan lines. And State Representative Denham, who has emerged as high-speed rail's most dangerous foe, has submitted legislation to suspend all federal funding already appropriated. The state legislature will have to approve the shift of cap-and-trade funds into high-speed rail as part of the budget, and so far, lawmakers have been noncommittal, seeking clarity about the long-term funding plan. The state's nonpartisan legislative analyst called Brown's scheme "legally risky." Even if the legislature approves it, the budget would not be completed by the April 1 deadline for the state match to federal funding.

Meanwhile, California's tech moguls have emerged as another locus of opposition. Three Silicon Valley towns, Atherton, Menlo Park and Palo Alto, have sought to block the train's proposed route. And while previous initiatives to repeal the bond measure have failed to qualify for the ballot, there are multiple efforts this year, including one from a Silicon Valley entrepreneur who wants to replace high-speed rail with Elon Musk's fanciful "hyperloop" proposal, which promises even faster speeds. Though the hyperloop carries all the same challenges as high-speed rail—securing routes, beating back NIMBYs, acquiring funding—many tech types prefer it, promoting a replacement that would put the overall goal of cross-state transit options back at the starting gate. This would make high-speed rail a victim of the very entrepreneurial spirit Brown has heralded; the state that innovates wants to innovate high-speed rail out of the picture before it's even built.

But Brown has yet to waver in his commitment. His leadership helped get the legislature to advance the project in 2012, and his maneuver with cap-and-trade money could finally secure a long-term stable funding source. Brown even slipped a loan to CHSRA into the budget the past two years, to keep them funded through the uncertainty, and he's called for \$25.6 billion for the program in a recent five-year infrastructure plan. "California is still the generator of dreams and great initiatives," he told reporters recently. "And I think high-speed rail is worthy of this state."

If Brown can get the legislature to sign off on the transfer of funds from cap and trade, and if he can convince judges to allow the project to move forward, the project can break ground and regain momentum. That's a lot of ifs. Plus, it's an election year, and Brown's opponents are already using high-speed rail in their long-shot bids to deny him re-election; Republican Neel Kashkari, a former Treasury Department official, calls it "the crazy train" in his first campaign ad, arguing that "it is a symbol of Sacramento having the wrong priorities." So Brown will not only have to navigate the legislature and the courts, but also tricky politics in a state that has lost enthusiasm for the project.

With California a tent-pole for high-speed rail, the political battle also has national implications for whether a long-term, visionary politics remains possible. Brown's rhetoric on high-speed rail sometimes recalls the can-do exhortations of the Kennedy era. As he said in 2011, "I would like to be part of the group that gets America to think big again."

Brown is certainly thinking big. But just because he *thinks he can* win this fight doesn't mean he will.