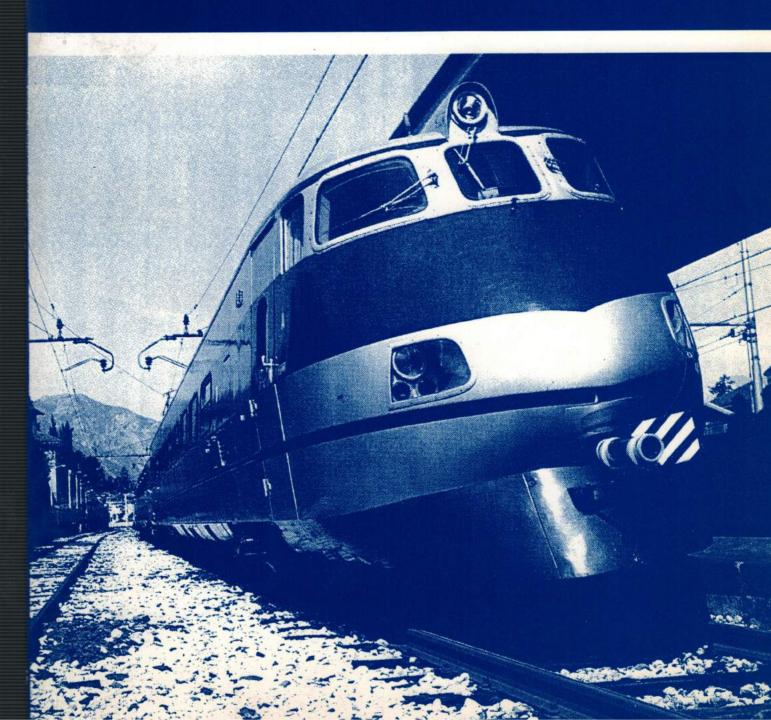
# FAST TRACK FORWARD

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Kenneth Irvine



## FAST TRACK FORWARD

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Kenneth Irvine

#### FAST TRACK FORWARD

PROPOSALS FOR A UK HIGH SPEED NETWORK TO EUROPE

From research sponsored
by the

Adam Smith Institute

London
1990

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#### 1. INTRODUCTION

The European Commission published earlier this year its draft legislation for Community Rail Policy. As part of its policy review it wishes Member States to put forward their ideas on a future high speed rail network across the Community. The French Railways (SNCF) have ambitious plans to extend the TGV network to Belgium, Holland and Germany. The German Railways (Bundesbahn) also have advanced plans for completing a high speed network. In Italy Fiat have been looking at financing high speed rail lines on a turnkey basis for the Italian state railways. Many European countries are now investing in Italian tilting high speed trains, including Eastern Europe which has a history of long-term rail development.

The recent liberalization of Eastern Europe and the unification of Germany will move the centre of Europe eastwards. There is a danger that Britain will become an island peripheral to central Europe. Britain must therefore develop its own plans to implement a high speed network of services and connect this network direct to Europe prior to the opening of the fixed link. There is no time to waste.

The Labour Party's policy document "Moving Britain Into Europe - A high speed future for transport" was published recently. This is one proposal. The government may wish to answer it and put forward its own solutions.

This report critically evaluates the Labour Party's policy document "Moving Britain Into Europe", examines the controversy surrounding the fixed link, suggests policies for a high speed UK rail network and develops two sets of proposals for high speed services to Europe. The two sets of proposals set out a short-term solution which involves the establishment of a high speed network based on existing lines and a longer-term solution based on O.V. Arup's proposals.

The Government should implement feasibility studies on these proposals or put forward its own alternatives. A manifesto commitment to a high speed network connecting British cities to each other, and linking them to Europe will convince Europe that Britain will play its part in the development of a European high speed network.

#### 2. THE LABOUR PROPOSALS

The most recent policy document available from the Labour Party is "Moving Britain into Europe - A high speed future for transport". It is a document which will be taken seriously by the rail industry in the UK, including the private sector.

#### 2.1. Policy Statements

In "Looking to the Future" the Labour Party has already committed itself to getting rid of its previous ideological baggage of purely state investment in transport - "We want a high speed dedicated railway network, together with good roads, to link the regions to the rest of Europe through the Channel Tunnel... we will mobilize private capital with public investment, to finance this major development".

"Moving Britain into Europe" declares that "a Labour government will:

- ensure that the tunnel benefits all the regions and nations of Britain by starting a programme to provide a high-speed rail network;
- allow Britain's businesses to compete in Europe by providing efficient, fast freight lines to the continent;
- make the best use of existing rail, road and other infrastructure;
- ensure the best use of the investment made and
- meet the highest possible environmental standards"

There is nothing there over which one could disagree with the above policy statements, other than there is no definitive statement on the role of the private investment versus taxpayers investment and the mix in total investment. It is Labour's programme of implementing these policies which is open to question.

#### 2.2. A Commission of Inquiry

Labour commits a future Labour government to establishing an independent commission to examine publicly Britain's railway network and put forward proposals for a new high-speed line linking the regions to the Channel Tunnel. The inquiry will be required to report within six months and will examine the engineering, technical and planning aspects of the project. The inquiry will also asses the options for a partnership of public and private investment.

This means that the bureaucrats will decide the new network, rather than the customers or the private sector which will be asked to invest in the project. The private sector will not want to absorb the design risk of others in their financing packages. The private sector will wish to plan and design their own proposals. Labour's dirigiste approach could frighten off the private sector

#### 2.3. The Fixed Link

An example of the above approach was the fixed link project, which has been mis-managed by the Department of Transport and British Rail.

#### Labour suggests:

"the government was not prepared to assist with the development of a high speed rail link from the Channel Tunnel to London. This vital project has been effectively shelved. The government's prevarication, lack of vision and narrow-minded rejection of public investment is leaving Britain on the margins of Europe."

These statements are economical with the truth, to say the least. The facts paint a completely different picture. British Rail chose the route which the link was to follow, after receiving tenders for other routes from six consortia. British Rail admitted at a seminar on the link that it did not want a privately funded rail link but wished to finance and build the link itself. After the initial tenders were submitted, six finalists were chosen to submit final tenders from which the successful consortium would be chosen. However British Rail then announced that the same six consortia would have to bid again. Only after this second round of final bidding was Trafalgar House chosen as British Rail's partner. The other consortia were somewhat suspicious of the tendering procedures used.

The chosen route's estimated costs rose from an initial £1.3 billion to £3 billion when the environmental protection measures required were properly assessed. These additional costs would not allow Trafalgar House to yield their required return on capital. Therefore the Government was approached in effect to subsidize the shareholders of Trafalgar House.

Naturally the unsuccessful consortia, such as O.V. Arup, were appalled at the prospect. They did not require subsidy for their proposals so why should the successful tender, which was by now going to cost over double its original estimate, receive taxpayers' money. Trafalgar House had to absorb British Rail's design risk and the taxpayer was asked to pick up the bill. The Government did not refuse to invest public money - it refused to subsidize bad design. O.V. Arup is now negotiating to build the link and there is no suggestion that the project has been effectively shelved.

There was also the distinct possibility that the airlines and British Airports authority would refer any decision to subsidize the link to the competition directorate at the European Commission. A subsidy would prevent a level intermodal playing field on travel between Britain and Europe. The British air industry does not receive Government subsidy.

An additional argument is that Eurotunnel's traffic forecasts in its prospectus did not allow for a fixed link. Eurotunnel believed it could profitably operate the tunnel with existing routes. The fixed link will increase demand for tunnel slots and Eurotunnel will be able to raise slot prices. Subsidizing the link would have been an effective subsidy to Eurotunnel and its shareholders.

A subsidy would have removed financial discipline from the project. Cost over-runs would have been paid for by the taxpayer. Trafalgar House would have threatened to pull out because its returns were threatened. Shareholders are the best ensurers of financial discipline. If the taxpayer had picked up the tab for initial Eurotunnel cost over-runs the long-run bill to the taxpayer would have been enormous. The City ensured a non-taxpayer solution.

The private rail industry has always cast doubts on the chosen route and it would be fair to say that there is a consensus in favour of O.V. Arup's North Kent proposals, based on London terminals at Kings Cross and Stratford. The Arup proposals also benefit the taxpayer by not requiring public subsidy.

It is therefore strange that Labour wish to repeal Section 42 of the Channel Tunnel Act and subsidize the balance sheets of quoted companies rather than enforce financial discipline and save public money for more worthy purposes. At best one can accuse the Labour proposals of being somewhat naive. Or it could be that they are not in possession of the full facts. At worst their proposals could be construed as misleading the public to make political capital. The last scenario is not implausible.

#### 2.4. T.G.V. ?

Labour cite the French TGV as an example to follow. However France does not have the high land prices or private bill procedures or the lengthy planning procedures in the UK. It has a different geography in addition. France does not have to put up the "not-in-my-back-yard" syndrome, prevalent in the UK as shown by the reactions of Kent residents to the fixed link. No burning effigies in France; such protests as do take place seem ineffective. Other European countries are not investing in TGV technology but in upgrading lines to take Italian high-speed tilting trains. To implement TGV in this country would be expensive and unnecessary. Alternatives will be put forward later in this report.

#### 2.5. Freight

Labour wants to electrify key freight routes and upgrade the routes to continental gauge. Electrification is expensive and is not required for freight. Many serviceable locomotives would be made redundant. However electrification of passenger lines will be helpful to freight and electrification of key linked freight lines would be part of a electrification package.

#### 2.6. Passenger

Labour proposals envisage the building of:

- a dedicated high-speed line from the Channel Tunnel through London to the Midlands;
- a line capable of taking TGV type trains to serve Birmingham, Manchester, Leeds, Newcastle, Edinburgh and Glasgow
- the route serves Birmingham, Manchester and Scottish international airports
- improved cross-country links
- a land bridge from Ireland to east coast ports
- links from Wales to Felixstowe and Harwich
- a possible London orbital rail link
- further electrification to fill in "missing links"

The Labour document admits that building a new, dedicated high speed route would be "prohibitively expensive"; upgrading the East Coast Main Line would not serve the Midlands or the North West. Labour's proposal pledges instead a combination of new dedicated track and the best of existing electrified routes. The final recommendation on the route would be made by the Commission of Inquiry.

Their policy looks to re-opening the old Great Central Line, mostly Berne gauge to allow running from Rugby to London, linked to existing electrified lines to Birmingham. Between Manchester and Birmingham a new line would follow the route of a proposed toll motorway. After Manchester an upgrade of the trans-Pennine route would connect up with the East Coast Main Line to Glasgow via Edinburgh.

This is a quite extraordinary proposal. The existing West Coast Main Line already runs direct from Euston to Rugby in about one hour. The track bed is poor compared to other main lines but re-opening the Great Central would be an expensive luxury compared to upgrading the existing track. Similarly there is already a line from Birmingham to Manchester Picadilly. The gradients for the trans-Pennine route are not suitable for high

speed freight, never mind high-speed passenger trains.

Finally their information appears to be less than accurate. The Labour document suggests of the East Coast Main Line, "the track to Edinburgh and Glasgow is already electrified and is of high standard." The fact is that neither of the Edinburgh to Glasgow lines are electrified. The best line is to Glasgow Queen Street which is unsuitable as a main terminal to Europe. The Shotts line to Glasgow Central is the best alternative but this line would require a lot of money spent on it to bring it up to standard. There are better alternatives.

The Labour proposals do not address the problem, nor do they build upon valid information to propose sensible and realistic solutions. The costs of implementing their proposals would far exceed the costings outlined in their report.

#### 2.7. Financing the Proposals

The Labour proposal admits that it will not be possible to finance this package from state funds. They commit themselves to relaxing British Rail's Treasury borrowing constraints to raise money on the private markets. The report suggests that BR establish a consortium of private financiers to finance a BR subsidiary. Its assets could be ring-fenced from normal BR operations.

This is a fudge against putting into place a private company (or companies) to run European services. It is an interesting admission that it would be necessary to ring-fence the company from normal BR operations. Ideology seems to prevents them from grasping the nettle of privatization. Overall the proposals are badly researched and fail to meet the objectives set by themselves.

#### 3. THE SHORT-TERM PROPOSALS

As the aforementioned policies are clearly not the solution required if Britain's cities are to be linked up to the continent then alternatives must be canvassed. This report has looked at the existing network, the possible fixed link routes and current developments in Europe as the basis for alternative proposals. The costings are approximate ballpark figures based on published figures. The Government will need to conduct feasibility studies to finalize proposals.

#### 3.1. The West Coast Main Line (WCML)

The West Coast Main Line serves Milton Keynes, Rugby, Coventry, Birmingham, Wolverhampton, Stafford, Stoke-on-Trent, Manchester, Carlisle and Glasgow. British Rail has plans to introduce trains capable of travelling at 150 m.p.h. on this line. There are currently direct services from WCML towns to Gatwick Airport via Willesden, Kensington Olympia, Clapham Junction and Redhill. The Bow Group, a Conservative pressure group, once suggested Willesden as a European terminal. It would be possible to upgrade the this route plus the Redhill to Tonbridge to Ashford line to offer a direct service to the Channel Tunnel.

#### 3.2. The Midland Main Line (MML)

The Midland Main Line serves Bedford, Kettering, Leicester, Derby, Nottingham and Sheffield by InterCity 125 units. The line is not fully electrified but trains run direct from Bedford via Kings Cross Thameslink to Gatwick and Brighton. The electrification of the line to Sheffield must be considered a priority. Consideration must be given to running high speed diesel trains via Thameslink to Redhill and then to Ashford.

#### 3.3. The East Coast Main Line (ECML)

The electrification of the ECML is due to be completed soon. The ECML serves Cambridge, Peterborough, Doncaster, York, Leeds, Newcastle and Edinburgh. Consideration must be given to running through to Redhill via a connection to Thameslink and extending electrification to Aberdeen. Extending electrification to Aberdeen would cost about £100 million.

#### 3.4. The Western Main Line

Like the Midland Main Line, the Western Main Line is not electrified and is served by InterCity 125 trains. Again electrification must be considered a priority, especially as this line is the most readily adaptable to the Berne gauge. The main towns served are Reading, Swindon, Bath, Bristol, Cardiff,

Swansea, Oxford, Gloucester, Worcester, taunton, Exeter and Plymouth. Electrification of all this track would be extremely expensive, costing approximately £0.5 to £0.7 billion - approximately £1 million per mile. The alternatives would be:

- a) to electrify to Cardiff and operate a hub system of high speed diesel connection based on Cardiff, Bristol, Swindon and Reading. This could be achieved for about £250 million.
- b) option (a) plus Taunton, Exeter and Plymouth

The route to Ashford would be to Reading to Redhill to Ashford or to Acton Main Line via Kensington Olympia as for the WCML.

#### 3.5. The Anglian Main Line

The main towns served are Colchester, Harwich, Ipswich and Norwich. There will be considerable competition to the Channel Tunnel from Sealink's Harwich services. There will be no opportunity for direct services until a terminal is built at Stratford. The current direct service to Liverpool Street and then an underground connection to Kings Cross or Waterloo seems to be adequate at the moment.

#### 3.6. Cross-Country Routes

- a) The trans-Pennine route from Liverpool via Manchester to Leeds and York. However the track is not suitable for high-speed passenger trains. Electrification could not be justified on its ability to attract new passengers. The M62 is formidable competition.
- b) The North-East/South-West route runs from Aberdeen via Edinburgh, Newcastle, York, Leeds, Derby, Birmingham, Bristol to the South West. It would make sense to electrify Derby to Birmingham to complete the projects of electrifying the Midland Main Line and Western Main Line.

Other options include:

#### c) Electrifying

(i) Reading and Oxford to the West Coast Main Line

(ii) Reading and Oxford to Worcester, Hereford and Birmingham

(iii) Swindon to Gloucester, Cheltenham and Worcester (and Birmingham)

This would complement the electrification of the Western Main Line and complete the electrification of all the main services to Paddington. It would open up alternative routes to the from the Midlands to the Channel Tunnel via Reading and Redhill. The above package would cost approximately £250 million.

Using tilting trains it would be possible to have high-speed services from Scotland and the North to Wales, the Midlands and the South West. There would be additional advantages of being

able to offer high speed freight services to compete with roads. This would be vital to the financial viability of the package.

#### 3.7. Priorities

The European Commission in a document on priority Community infrastructure support [COM(89)238] looked to Glasgow and Edinburgh to London as priorities. This is quite natural if Scotland is to gain the benefits of the Channel Tunnel. The North will gain from these initiatives. However the Midlands and the West must not be neglected because of their industrial and technological base. The electrification of the Midland and Western Main Lines must also be a priority. There is no time to waste in connecting these lines direct to Ashford, fixed link or no fixed link. Then the other options become more feasible.

#### 4. THE LONG TERM

If the O.V. Arup proposals are accepted then the Anglia Main Line will need to have improved rolling stock to Stratford to compete with the ferries.

At this point the North London Line becomes a potential link between the Western Main Line from Acton, the West Coast Main Line at Willesden, the Midland Main Line and East Coast Main Line at Camden to Canonbury and Stratford. Exploiting this relatively underused link by upgrading the line for high speed and overhead electrification would ensure a strategic link between the chosen main terminals at Kings Cross and Stratford and all the main lines running west and north of London.

#### 5. ROLLING STOCK

Since these plans envisage using existing lines the rolling stock will have to be able to take bends at high speeds. British Rail's InterCity 125 and 225 would be unsuitable for the average speeds of around 150 to 160 miles per hour envisaged. Therefore some form of tilting train will be needed. British Rail scrapped the ill-fated Advanced Passenger Train after the tilting mechanism had been perfected. Tilting trains are now running reliably on Italian Railways. Tilting trains are now being manufactured by Spain (Talgo Pendular tilt), Sweden (The X2) and Italy (the Pendolino). These countries have now worked out solutions to the sickness problems experienced by British Rail's APT customers. There are four basic choices open to the UK:

- a) Order Italian Pendolino tilting trains to British gauge requirements
- b) Order the Spanish Talgo Pendular tilt or Swedish X2 tilting trains
- c) Modify existing BR InterCity 125 and 225 trains to take a tilting mechanism
- d) British Rail develop its own new tilting train.

Option (a) seems to be the easiest and most cost-effective option. The German Bundesbahn and the Austrian Railways have placed orders already and are set to order others. The Swiss, Belgians, East Germans, Soviets, Yugoslavs, Czechoslovaks and Portuguese are all looking at buying fleets of Pendolino trains. Therefore there is a strong possibility that Pendolino technology will emerge as a natural European standard.

British Rail has been reported as studying the possibilities of including a tilt mechanism in the new InterCity 250 trains planned for the West Coast Main Line. If Britain were to acquire Pendolino trains significant savings could be made in research and development and spare parts for maintenance. At the moment the Pendolino trains can travel up to 155 miles per hour, the same as the proposed InterCity 250. The European Commission has pointed out the benefits of harmonization of standards. Tilt technology offers average speed improvements of approximately 20%. In the end it comes down how quickly British Rail can incorporate tilt technology into its own trains against the importing of proven Italian trains with the cost savings advantages. The suggestion here is that the Italian trains will prove to be a more satisfactory option.

## 6. OPERATIONS AND FINANCING

## 6.1. European Community Rail Policy

The Labour Party has publicly endorsed the proposals laid out in the European Commission draft legislation for Community rail policy COM(89) 564.

This document comments:

"all Member States have adopted a similar centralized organization for their railways. This highly centralized form favours government intervention but it can lead to inflexibility and rigidity particularly in relation to new commercial developments".

The Commission then develops its policy as being that Member States should ensure the provision of a national rail network as part of a Community network. However "the Commission does not propose any specific solution regarding ownership". The Community network would be open to private operators who would have a right of access and pay for the use of the track, as in Sweden and Switzerland - "the basic feature of such a system is to establish a contract price ... related to a well identified service ... the contract price should not be directly tied to the undertakings costs incurred by the provision of the service but rather be established by a market approach".

There would be no cross-subsidization between operations and infrastructure. Subsidy would be limited to infrastructure provision. This is exactly the policy laid out by the Adam Smith Institute in the "Right Lines" and "Track to the Future".

It is pleasing to see the Labour Party endorsing the EC policy despite their continued opposition, in association with the railway magazines, to the Adam Smith Institute proposals when first published in 1987. As Labour note, the EC proposals are put forward by the Belgian socialist Karel Miert. No doubt events in Eastern and Central Europe have made the Adam Smith Institute accustomed to seeing their ideas endorsed by socialists.

#### 6.2. Implement in the UK

The private sector must be given the opportunity operate these trains. Competitive bidding against British Rail seems the best option. British Rail would guarantee to be the "operator of last resort", effectively underwriting the exercise. The private operators would lease rights of way from British Rail as outlined in the Adam Smith Institute's rail privatization proposals and European Community draft rail legislation.

These private companies would be encouraged to take equity in the national rail network authority. This national track authority is provided for under the Community legislation. The Community policy allows for both state and private infrastructure ownership. Ideally in the long run the track would be privately owned with public service obligation grants treated as income in the accounts. Legislation would prevent asset stripping for property development.

Private construction companies would be encouraged to bid to upgrade the Reading to Redhill line, the Willesden via Kensington Olympia to Clapham Junction line and the North London Line. The companies would be encouraged to undertake similar arrangements for electrification projects. These companies would be remunerated on a turnkey basis, like the Dartford Bridge, by train charging. Alternatively they could become joint venture partners in establishing a national track company, or joint venture track companies licensed by the track authority - perhaps with O.V. Arup and Eurotunnel and the rest of the BR network, preferably as a floated company.

Private sector participation will be encouraged by the planned reform of rail bills through Parliament, outlined in a consultation document by Sir Geoffrey Howe.

The Commission suggests three methods for state contributions:

- inclusion in the public service contract
- incorporation in the infrastructure reorganization
- a one-off capital payment

The above proposals coupled with a one-off payment, to seek a level playing field with highways (Commission policy), seem the best method.

The Government should set up the projects as special infrastructure profit centres and work out how much it is going to contribute based on savings from road maintenance and extra road construction. The EC has suggested it is willing to contribute when the links are not profitable but necessary to the completion of a high speed network. These figures would be published with the invitation to tender for the joint venture arrangements.

### 6.3. Regulation

The new regulator, the Office of Rail Regulation, OFRAIL, would:

- a) ensure the maintenance of safety standards, ensure that operators meet licensing criteria.
- b) ensure fair competition between operators and British Rail.
- c) ensure that British Rail did not favour their own services

- on route priority, prior to the establishment of the national track company.
- d) ensure co-ordination on matters such as timetabling between operators, the track company, the fixed link and Eurotunnel.
- e) issue public service contracts on a tendering basis, similar to bus deregulation and enforce penalty clauses for failing to meet standards.
- f) establish a pool of traincrew available for employment by private operators - not provided for by EC policy.
- g) be responsible for European liaison on enforcing British operators' rights when in negotiation with European track authorities.

#### 7. COSTS

- 7.1. Electrification of the Midland Mainline and the Western Mail Line to Cardiff would cost approximately £400 million. Additional electrification to Aberdeen would cost £150 million.
- 7.2. Line upgrades between Willesden and Redhill, Reading and Redhill and Redhill to Tonbridge (a BR freight route) would cost about £200 million.
- 7.3. Electrifying and upgrading the North London line and adding new links to Kings Cross St Pancras would cost about £200 million.
- 7.4. New rolling stock would cost about £1 billion.
- 7.5. Additional Western Region and cross-country electrification would cost £700 million for electrification plus £200 million on rolling stock.

These costs would be partially offset by cascading existing InterCity 125 and 225 trains onto other lines and increasing the frequency and service quality of connections to the hub stations. Additional freight traffic would also offset the cost. Allowing for cost over-run the whole package could still be implemented for less than £3 billion, most of which will be provided for by the private sector, savings from roads, grants from the European Commission and £750 million already pledged by British Rail to upgrade the West Coast Main Line and introduce the InterCity 250.

#### 8. JOURNEY TIMES

These proposals if adopted would enable average speeds of up to 130 to 145 miles per hour, and top speeds of 150 to 160 miles per hour, on the main lines from Scotland to London. This means that non-stop services from Glasgow and Edinburgh to London would take under three hours. Aberdeen to London would be just under four hours. Liverpool, Manchester, Leeds and York to London would be about ninety minutes; Bristol to London in 45 minutes; Exeter to London in under three hours; Nottingham to London in under an hour; Newcastle to Bristol in under three hours. These times would bring intense competition between rail and air services, with both forms of transport setting highly competitive fares.

#### Summary of fastest journey times:

| ABERDEEN to LONDON   | Under 4 hours  |
|----------------------|----------------|
| BRISTOL to LONDON    | 3/4 of an hour |
| EDINBURGH to LONDON  | Under 3 hours  |
| EXETER to LONDON     | Under 3 hours  |
| GLASGOW to LONDON    | Under 3 hours  |
| NEWCASTLE to BRISTOL | Under 3 hours  |
| LEEDS to LONDON      | 1.5 hours      |
| LIVERPOOL to LONDON  | 1.5 hours      |
| MANCHESTER to LONDON | 1.5 hours      |
| NOTTINGHAM to LONDON | Under 1 hour   |
| YORK to LONDON       | 1.5 hours      |

#### 9. CONCLUSION

The European Commission has met the policy challenge of the Adam Smith Institute rail deregulation proposals in a practical policy proposal. Karel Miert deserves much credit and support.

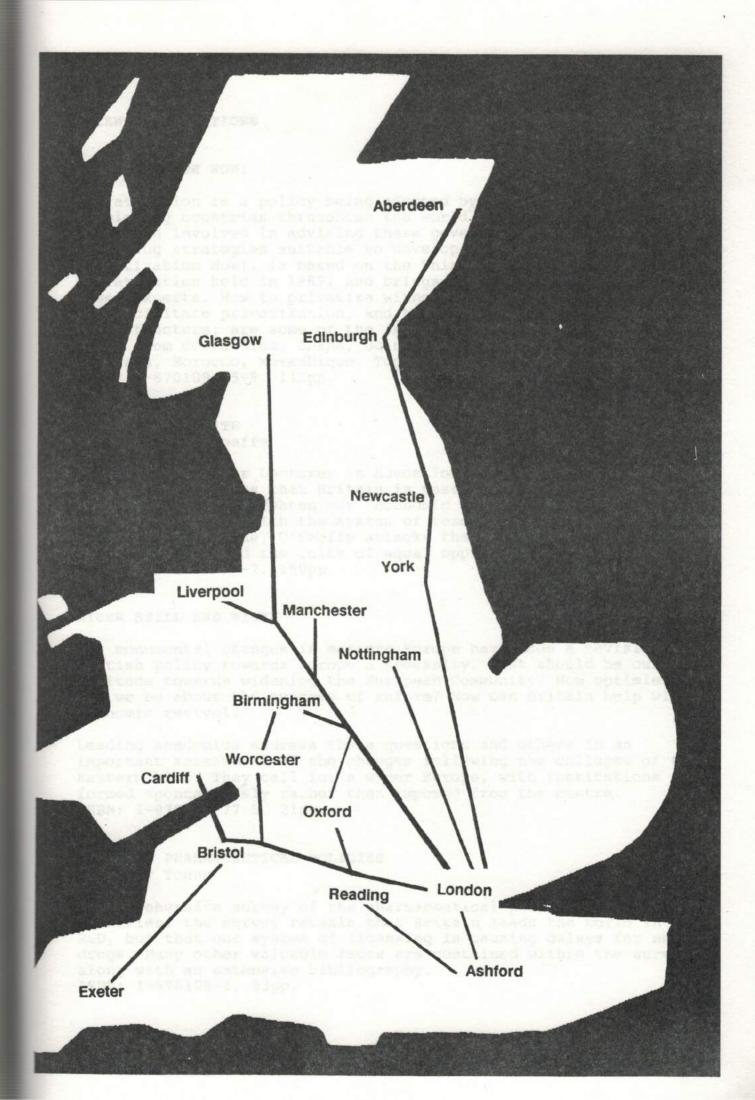
These initiatives will:

- a) make the best use of current track resources and existing rail technology
- b) will form the quickest route to a UK high speed rail network to Europe
- c) minimize resistance from Kent residents
- d) minimize the cost to the taxpayer
- e) show the European Commission how the draft legislation will work in practice before 1992
- f) provide the regulatory framework and initial capital structure for a privatized competitive rail network, compatible with European policy.
- g) show that the Government is committed to an expanding rail network to meet environmental needs of the next century

The private sector participation would increase passengers per track mile, reducing overheads. Large private companies could run their own train fleets. Passengers would be offered non-BR alternatives. More freight customers would be attracted by faster journey times and being able to use non-BR Railfreight services. Many customers are put off rail because they have to deal with a nationalized industry. Overall, rail services will be more competitive.

The new Labour proposals fail to meet these criteria. They only now grudgingly accept private financial involvement, on a limited scale much less than that provided for by Community policy.

While the costings are only ballpark figures, they are broadly realistic. More work needs to be done. Now is the time for the Government to show it can make these proposals work, and equip Britain with modern, high speed links to connect cities with each other, and connect British cities to their counterparts on the European continent.



Privatization is a policy being adopted by the governments of developing countries throughout the world. Many British experts have been involved in advising these governments, and in designing strategies suitable to developing economies. Privatization Now!, is based on the Third London Conference on Privatization held in 1989, and brings together the experience of these experts. How to privatize without stock markets, how aid can facilitate privatization, and how to find private finance for infrastructure, are some of the issues covered. Case studies are taken from Costa Rica, Ghana, Guinea, Hungary, Ivory Coast, Malaysia, Morocco, Mozambique, Togo, and Zambia. ISBN: 1-870109-75-9. 113pp.

## THE WAYWARD ELITE

By Dennis J O'Keeffe

The author, Senior Lecturer in Education at the Polytechnic of North London, warns that Britain is passing through and education crisis which may threaten our 'economic renaissance.' He locates much of the blame with the system of teacher-education. In a forthright critique, O'Keeffe attacks the system for spreading "anti-elitism, and the cults of equal opportunities." ISBN: 1-870109-76-7. 150pp.

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## THE CASE FOR A NATIONAL ARTS LOTTERY £1 By Denis Vaughan

Denis Vaughan, the international conductor, calls for a national lottery to help fund the arts. He points out that 'Great Britain and Albania are alone in having no national lottery' and calls for the law to be changed to allow for one to be set up. The proceeds of the lottery, estimated at £480 million, would go to refurbish most of the theatres in the country, to establish three new dance theatres, to renovate the Royal Opera House, and to fund many other renovations and expansions.

The author forsees that a weekly or fortnightly visit to the opera or theatre could become 'a standard part of the living pattern .. as firmly implanted as football' is at the moment. ISBN: 1-870109-78-3. 4pp.

### DOES SOCIALISM MEAN NEVER HAVING TO SAY YOU'RE SORRY? £10 By Kenneth Minoque

With socialist regimes collapsing all over the world, European socialists have hurried to deny any connection between their ideology and these crumbling dictatorships. Professor Kenneth Minoque of the London School of Economics forcefully makes the point that these intellectuals should face up to their mistakes.

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