Opinion Data Points

The Nimby tax on Britain and America

Local objections and protracted reviews mean new infrastructure projects cost far more in the UK and US than elsewhere

JOHN BURN-MURDOCH

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John Burn-Murdoch 12 HOURS AGO

If phase 1 of HS2, the high-speed rail project connecting Britain's capital to its second-largest city, is ever finished, it will be the world's most expensive such scheme, coming in at a cool £396mn for each mile of track.

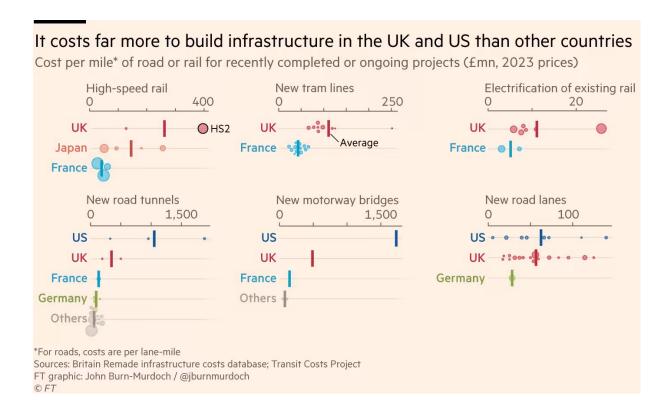
It didn't have to be this way. When neighbouring France opened a new 188-mile stretch of its high-speed network in 2017, it cost £46mn per mile in today's money, just over a tenth as much, and took 12 years to deliver from the start of planning to the first passenger-carrying train, half the anticipated 23 years for the initial phase of HS2.

This may be a particularly notorious example, but it's also representative of a wider pattern: building infrastructure in the UK costs far more than in most other places. Averaged over a dozen recent major rail projects, and adjusted for inflation, British schemes cost £262mn per mile, compared with £145mn per mile for Japan's bullet train network, £92mn in Sweden, £74mn in Italy, £42mn in France, and £34mn in Germany.

And it's a similar picture for roads, where new motorway bridges in the UK cost more than three times as much per lane mile than in France, Denmark or Norway, and additional lanes on existing British roads are twice as expensive as in Germany. In both cases, only the US faces even higher costs

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DOIN cases, Only the US faces even higher costs.



We are able to make these comparisons for the first time thanks to new international infrastructure cost databases for <u>rail</u> and <u>road</u>, created by the pro-growth campaign group <u>Britain Remade</u>, building on the <u>Transit Costs Project</u> run out of New York University Marron Institute of Urban Management.

Supersized costs and bloated durations are not unrelated. In a 2019 <u>study</u>, two American economists wrote that the rise of the environmental movement and the emergence of homeowners as organised lobbyists — they call this "citizen voice", others might call it Nimbyism — have added significant delays, alterations and associated costs to construction projects in the US.

The authors calculated that a 0.01 mile per year increase in the "wiggliness" of a road — the type of thing that could result from the requirement to add additional tunnels, cuttings or noise barriers to a route — comes with a \$9.7mn increase in costs. These exact sorts of <u>alterations</u> have already added significant time and cost to HS2.

It's scant consolation that some of the very people who dedicated themselves to campaigning against these projects in the past have since acknowledged that their fears failed to <u>materialise</u>. There always appear to be new ranks of <u>Nimbys</u> waiting in the wings.

The result of this vicious circle of objections, delays and in some cases outright

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cancellations of large parts of the <u>projects</u> as the costs mount is that both countries — but especially Britain — are suffering from massive under-delivery on transport infrastructure, causing a huge drag on <u>productivity</u>.



Only just over a third of Britain's railway lines are even <u>electrified</u>, let alone high speed, behind not only France on 59 per cent but also Poland on 63 and Bulgaria on 74. Only 21 per cent of US cities with populations greater than 250,000 have either a metro, light rail or tram network, compared with blanket coverage in Danish cities, 88 per cent in Germany and 80 per cent in France. Care to guess the only developed western country to score even worse than the US in this regard? That's right: Britain, where only eight of 52 such cities and towns have even a tram.

But it's not just rail where the UK is shooting itself in the foot with an increasingly expensive gun: it's the combination of poor public transport outside its capital with poor roads everywhere that really sets Britain apart. European cities (and London) do well on public transport but are less accessible to cars, while American cities have optimised in the opposite direction. But British cities get the worst of both worlds: threadbare public transport and choked road networks, reducing their effective size and potential agglomeration benefits.

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One idea in Britain currently is to <u>pay Nimbys</u> to persuade them to <u>allow new</u> <u>infrastructure</u> — but they've already been imposing a tax on the country for decades.

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