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# LSE Spatial Economics Research Centre

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## High Speed Fail

The Adam Smith Institute's 'high speed fail', represents the latest effort outlining the anti-side of the HS2 argument.

The Campaign for High Speed Rail has already responded: According to the FT the Campaign portrays the ASI's opposition to HS2 is "purely ideological, as they are fundamentally opposed to large-scale infrastructure investment [... begging] the question as to why such groups failed to also dismantle the case for projects such as Crossrail and the Jubilee Line extension, which were based on far lower financial returns."

My overall position on HS2 remains unchanged - the costs of the project are large and I think that the money could be better spent. I am not, however, ideologically opposed to large-scale infrastructure investment. Indeed, I am more sympathetic to the case for Cross-Rail (and previously for the Jubilee Line extension). This is partly because I think that the (narrow) user benefit case for these latter two projects relies on less extreme assumptions about the growth in passenger numbers (and I don't remember them having 'far lower' CBA figures). But I am also more sympathetic because I think that the wider economic benefits (not captured by traditional analysis) are likely to be larger for schemes freeing up bottlenecks *within* our more successful cities. In contrast, I am not convinced that the wider economic benefits of HS2 will be large (and consistent with this I would prefer to see the money spent on within city transport schemes with better benefit-cost ratios).

In short, while I am sure that the ASI are perfectly capable of defending their own position, it is not contradictory to be supportive of some transport schemes and not others.

Posted by Prof Henry G. Overman on Wednesday, October 26, 2011          [G+1] Recommend this on Google

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