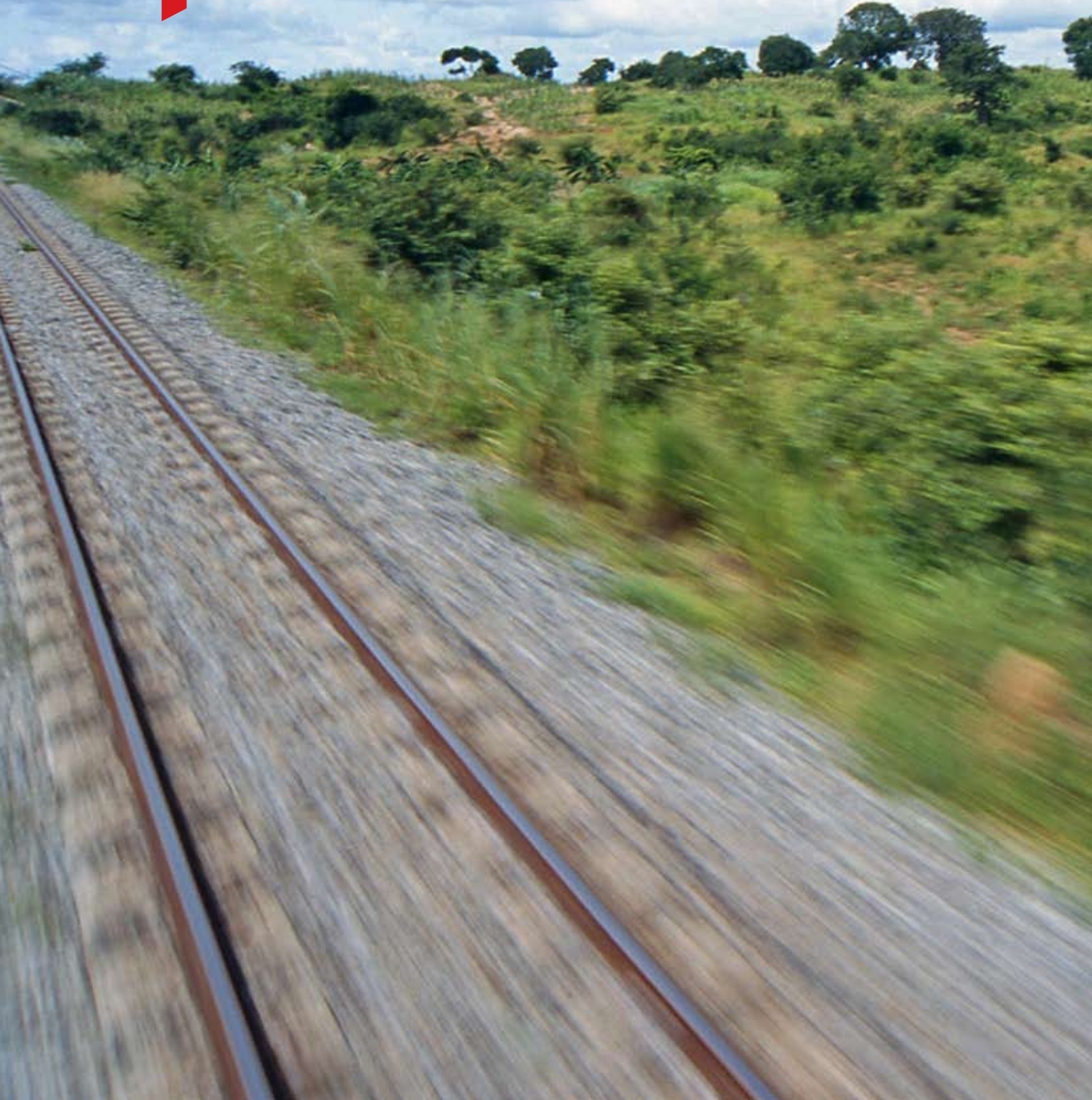
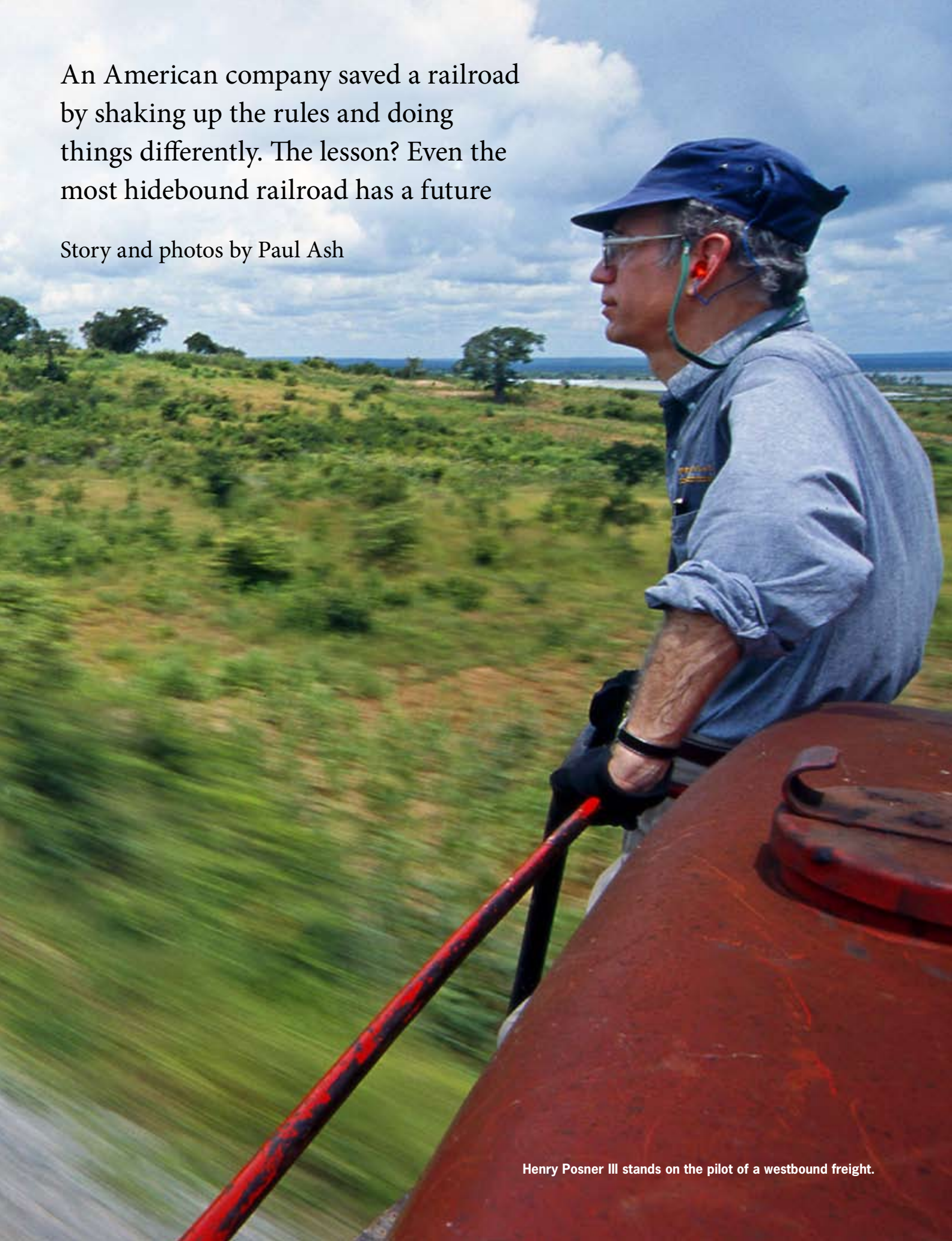


The African phoenix



An American company saved a railroad
by shaking up the rules and doing
things differently. The lesson? Even the
most hidebound railroad has a future

Story and photos by Paul Ash



Henry Posner III stands on the pilot of a westbound freight.



A crew rides a motor trolley to a derailment for cleanup duty.



A herdsman drives his cattle off the tracks in front of a speeder.



On a febrile Mozambique summer's day, No. 126 looks like hell. The hood of the U20C is blasted with two decades' worth of grime, soot, oil, and the ground-up patina of Africa. The Brazilian-made General Electric engine carries the dents and scrapes of untold battles, with windows that are starred and cracked, and a latch on the engineer's door busted and held shut with a loop of twisted wire. The unit is just 20 years old, but resembles a convict on a chain gang. The engine sounds OK, as the big Cooper Bessemer prime mover mutters happily with its train of container flats at Nacala harbor.

The crew members are at odds with their charge. The fireman, who introduces himself quietly as Manual Bolacha, wears a clip-on tie and a bright yellow shirt, with spotless, pressed chinos. Engineer Filipe Mario sports a brightly patterned, almost Hawaiian shirt and a combat vest with many pockets. It's hardly standard railroad work wear, but it is February 2005 and the Railroad Development Corp. and its partners have just taken over operations on the Nacala Corridor. The 542-mile railroad teetered on the brink of extinction before the Americans arrived. The Mozambican railroaders have their jobs, and from the footplate of the 126, their future looks pretty good.

Johan Beneke, the bluff, plain-spoken Afrikaner who is the new director of operations for the railroad, says, "They always dress like that these days. They've something to look forward to."

Mario has invited us to ride on the footplate. RDC Chairman Henry Posner III immediately takes his customary place on the pilot. As we thunder out of Nacala, unfazed by the seesawing ride, Posner makes several passing observations. First, about the track: "Pretty good," he says. Second, the state of the locomotive: "Basically junk," he says. And third, the future of the railroad: "Now, we're on our way," he says, as we rumble along 42-inch gauge toward the summit at Rio Monapo, 40 miles and 90 minutes away.

After seven years of negotiations, the Mozambique government relinquished its death grip on the railroad's throat, although the state railroad, Caminhos de Ferro de Moçambique, retains a 49-percent stake. The freshly signed concession marked the first real private sector involvement in Africa's railroads in nearly 80 years.

When RDC arrived, the railroad was in dire straits. Of the five surviving locomotives on the roster, two were always in the shop getting repaired, and a third was dedicated to the all-important passenger train that threw a lifeline to the scattered communities



A bike hitches a ride on the caboose of a Sunday passenger train.

living in this remote and difficult country. Now, the railroad could use funds from a \$29.7 million loan from the Overseas Private Investment Corp. to fix track and buy paint for No. 126.

Across the border in neighboring Malawi, the Central East African Railways, another RDC concession, was already in business. Traffic was rising and customers who previously used only trucks were showing up at the door. But the Nacala Corridor holds the key to Malawi. Without it, the Central East African Railways was little more than a ramshackle short line while trucks carried all the international freight.

Running a private railroad in Africa today is like putting down rails in America's West 150 years ago. The work demands fortitude, money, and a strong dose of pioneering spirit.

Consider this: In Africa, governments privatize their railroads only as a last resort, when the operation has been run into the ground and the track is returning to the earth.

The miserable railroad workers are restive and unhappy about the prospect of losing their jobs. Nature takes sides, too, with cyclones, landslides, and bridge-killing floods. Termites chew the wooden ties, while scrap metal thieves take the steel ones. Goats and cattle graze on the right-of-way, and people walk on the tracks because walking on the road (if there is one) is too dan-



A crewman waits for orders. Wood and charcoal wait for pickup.



An armed guard watches for looters during derailment cleanup.

gerous with thick, unruly bushes that are full of snakes.

The country is hot, dusty, and full of disease. Malaria and HIV run amok in the workforce. In some places, a railroad's competitors shoot at its crews, or put stones in its switches. Bandits armed with AK-47s stop and loot trains, so railroads put armed guards on every manifest. Meanwhile, politicians, far away in the capital, stand up in parliament and say that privatization has failed, as if the state-generated scrap heaps at the locomotive depots don't exist.

And when railroads finally start making some money, inevitably some local heavy will want a piece of the action. Of the two moribund railroads, the 42-inch gauge, 495-mile Malawi system was the easier to fix. The fleet of Montreal-built Alcos was in fair condition, and there were enough decent cars among the scrap piles to run freight and passenger trains.





An engineer receives orders for his eastbound freight.



The passenger trains were run on a fixed subsidy as part of the concession. The southern portion of the system covered an area with no all-weather roads, and people depended on the railroad to which they brought substantial traffic: bags of charcoal, building poles, sheets of corrugated iron, dried fish, and sacks of corn, which are all staple goods of the rural economy.

Malawi's international traffic looked good, too. Trains hauled sugar, tobacco, pigeon peas, and tea to the seaports. Fertilizer, fuel, vegetable oil, grain, and container loads of consumer goods were loaded on the trains back to Malawi.

The Mozambique railroad was in worse shape. The locomotives and most of the freight cars were junked after years of state abuse. The main line from Nacala to Cuamba had been restored with French donations in the 1990s, but there was a squabble. The French withdrew, leaving the last 54 miles from Cuamba to the

'Another day of railroading in Africa. Never a dull moment. I thought I was bored for five minutes once, but I was wrong.'

Malawi border unfinished. The kinked and bent rail had permanent 10 mph slow orders, which became the railroad's albatross.

The concession also included a 164-mile branch line from Cuamba to the provincial capital in Lichinga. Even in the good years, before a 17-year civil war devastated the country, traffic on the branch was sparse.

By 2005, service was down to one train a month. With cars coming off the rails every few miles, it would sometimes take 10 days for a train to creep up the branch. It was quicker to use trucks, but trains to Lichinga are about politics. It was a stick the government became fond of wielding.

It is difficult to exaggerate how good Posner and the Railroad Development Corp. were for these two railroads. For this cynical author, seeing things done the American way was a revelation.

Decades of bad habits went out the window. Trains started running again. Locomotives were outshopped in fresh, RDC-blue paint jobs carrying a logo that owes much to Conrail, and railroad employees smiled.

The other surprise was unfettered access. Posner, or his one-time vice president, Brad Knapp, would arrive in South Africa and call me and say, "We're going to Malawi, do you want to ride along?"



Mechanics witness a prime mover turn over after six weeks' work.



A Mozambique westbound train passes a 2,000-year-old baobab tree.

In Africa, one doesn't normally get to ride on freight trains with the CEO and interview railroad officials. I knew things were different when Knapp invited me on a cross-border trip to go and check out a wreck. The railroads I knew previously hid their mistakes. Not now. Aboard a speeder, Knapp and I bucked and swayed to the scene where the previous night, the engineer of an eastbound flouted the slow order and dumped three cars on the ground among a mess of bent rail and chewed-up ties.

"Another day of railroading in Africa," Knapp says. "Never a dull moment. I thought I was bored for five minutes once, but I was wrong."

Posner also visited often. His style was to check things out from the locomotive on a freight, or a motor trolley if time was tight. On one ride south of Blantyre, Malawi, tall, fecund plots of corn and unkempt grass along the tracks obscured the view of successive curves of the railroad.

We watched as a herdsman shooed his goats off the track. Posner turned to the section boss and said, "If these guys are using the track as a road and growing corn in our reserve, let's get them some machetes and have them cut the grass back." In Posner's world, everybody wins.

It paid off in the end. Today, the two railroads run better than

they have for half a century. The railroad in Mozambique imported locomotives, located by RDC on a closed banana railway, from Panama to ease its shortage. Streamlined operations at Nacala mean that containers no longer sit on the quay until some irate customer comes looking for them. Traffic is up 240,000 tons a year and the truckers are hurting.

By 2008, says Posner, the foreign investors had reached the point where they had created most of the value they could. "There is a right time and a wrong time to sell," he says. "This was the right time. We turned these railroads around and put them back into private, African hands."

On my last day in Malawi with Posner, we toured the locomotive shed at Limbe. We watched as a team of fitters crowned six weeks of greasy labor in the guts of their Alco by firing it up in great gouts of white smoke. There were wide grins all around. Posner handed out a CD of old American railroad songs, and we left for the airport listening to Gene McNulty sing "Please, Mr. Conductor, don't put me off your train." Our Malawian driver hummed along. All was right with the world. **I**

PAUL ASH is a transportation journalist with the Sunday Times in Johannesburg, South Africa.