

Bridges stolen from defunct Guatemala rail line

June 27, 2011

GUATEMALA CITY — Nearly four years after Railroad Development Corp. ceased operations in Guatemala, thieves have dismantled and stolen at least part of nearly half the major bridges on the line. Roughly 85 percent of the 204-mile route's steel rail has suffered the same fate.

The company, Henry Posner III's international railroad investment group, launched operations on the abandoned 3-foot-gauge "north coast" segment in 1999 under a 50-year concession. It operated freight until 2007. At the peak of business in 2005, the railroad moved approximately 170,000 tons of freight on the Puerto Barrios-Guatemala City route. Over time, Posner's company invested about \$15 million to upgrade the line.

In 2006, the Guatemalan government issued a "declaration of lesividad," essentially declaring the railroad to be operating against the interests of the state. The move dried up outside investment in the line and ended the company's ability to develop the right-of-way for alternative uses. Posner says the government saw more value in co-opting the right-of-way for the benefit of non-rail developers. With no hope for improvement, Posner was forced to shut the railroad down. The last train ran Sept. 7, 2007.

RDC's claim under CAFTA, which it originally filed in March 2007, has progressed steadily if not speedily in the face of, among other things, various filings by the Government of Guatemala attempting to have the case dismissed. In each case, the tribunal has ruled in favor of RDC. A final set of hearings on the merits of the case is to occur in December, and the decision of the tribunal is expected early in 2012.

Thieves have brazenly stolen steel, even large bridge supports, since the end of operations. Earlier this month, railroad employees surprised four thieves using an oxygen torch to cut cross members from a steel trestle near Agua Caliente. Because the thieves left their tools behind, there's a chance they could be tracked down and arrested.

Still, with some large bridges completely gone, and with the declaration of *lesividad* still in effect, the future looks grim for Guatemala's rail system.



A bridge near Agua Caliente, Guatemala, shows evidence of large-scale metal theft earlier this month.

Photo by Railroad Development Corp.



Algodon – mile post 180.66; *photo by RDC*



Azacualpilla – mile post 177.17; *photo by RDC*



El Tecolote – mile post 181.53; *photo by RDC*



El Tecolote – mile post 181.53; *photo by RDC*



Sin Nombre – mile post 177.78; *photo by RDC*



Sin Nombre – mile post 177.78; *photo by RDC*



Sin Nombre – mile post 177.78; photo by RDC



Sin Nombre – mile post 177.78; photo by RDC



Sin Nombre – mile post 177.78; photo by RDC

User Comments

RICHARD H DICKIE from **INDIANA** said:

Too bad. I have traveled from Guatemala City to Puerto Barrios by road. Its condition is bad and the traffic is horrendous. The railroad has great potential, certainly for freight and probably for passengers. However, other forces seem to be at work, and not necessarily for the benefit of the public.

Submitted: 6/28/2011 3:10:22 PM (CST)

RON SALTERS from **MASSACHUSETTS** said:

One has to wonder why the government developed zero interest in the rebirth of this rail system. What's that all about? Way back around 1972 I rode large parts of the system (mostly steam powered back then) with a small railfan group. It was a tumble-down, decrepit operation, badly in need of investment; but with definite potential.

Submitted: 6/28/2011 1:48:56 PM (CST)

JOHN B BREDIN from **ILLINOIS** said:

The whole business sounds like a missing chapter from "Atlas Shrugged." Hey, a stopped clock IS right twice a day.

Submitted: 6/28/2011 11:21:50 AM (CST)

DENIS JOHNSTON from **ILLINOIS** said:

Follow the rails to the local scrap dealers, and bust em.

The rails are very easy to trace.

Submitted: 6/28/2011 9:10:31 AM (CST)

DENIS JOHNSTON from **ILLINOIS** said:

The scrap money gets split up to everyone except the railroad owners. Third world economics.

Submitted: 6/28/2011 7:14:35 AM (CST)

MICHAEL WARREN from **NORTH CAROLINA** said:

Nothing new in that part of the world.

Submitted: 6/27/2011 7:36:42 PM (CST)

RICHARD H DICKIE from **INDIANA** said:

Too bad. I've been over the road between Guatemala and Puerto Barrios. The road itself is not in good shape, and the traffic is horrendous. The railroad there could have been of great value, but other forces are obviously at work- and not necessarily for the good of the public.

Submitted: 6/27/2011 6:28:43 PM (CST)

BEN BURCH from **Illinois** said:

Metal thieves are simply not dealt with harshly enough. You ought to have to give identification when you sell metal, then thieves can be tied to their vandalism.

Submitted: 6/27/2011 4:49:06 PM (CST)

BILL THOMS from **MINNESOTA** said:

Guatemala's railroads were part of the International Railways of Central America (IRCA), a United Fruit spinoff once controlled by DC Transit mogul O. Roy Chalk. The government of President Julio Cesar Mendez Montenegro nationalized the company, which then operated under the name FEGUA (Ferrocarril del Estado de Guatemala). After all that drama, I fear this is it for Central American railroading.

Submitted: 6/27/2011 3:53:47 PM (CST)

JEFF DEMAAGD from **MICHIGAN** said:

Sounds like government corruption and lawlessness having a destructive combined effect. It sounds like this declaration was made pretty quickly, unfortunate that it would take six years to reverse it.

Submitted: 6/27/2011 3:50:55 PM (CST)

CARL M WELCH from **NEVADA** said:

Welcome to the new dark ages. Coming to your nation soon.

Submitted: 6/27/2011 2:13:27 PM (CST)