Amongst the benefits of this project is the key fact that it will enhance the Greater Kuala Lumpur and Klang Valley as a location of choice for businesses while simultaneously facilitating the seamless flow of individuals and businesses between the two countries. Through the HSR line’s leverage, the socio-economic development of cities and towns along its corridor will also be enhanced.

The economic and social benefits derived from the connection of Kuala Lumpur to Singapore bring about huge potential for development projects. This geographical concentration of clusters of business and employees will result in an enlarged pool of manpower, increasing the amount of workers who are skilled.

There are a number of HSR lines worldwide which have, through their construction, brought about broader socio-economic benefits, including the two routes below, located in France and China respectively. These case studies provides a basis to why Malaysia, as a developing nation, be able to gain from the HSR project:

The Train à Grand Vitesse (TGV)

The city of Lille was hard hit by the closures of its traditional industries, including coal mining. To replace the jobs lost, the mayor of Lille campaigned hard to get the HSR line routed through the city, as they looked to reap the benefits a new transport line would offer. Lille is now the nodal point between Paris, Brussels and London. A new through station for the TGV was built near the site of the old station, adjacent to a major commercial center, with offices, hotels, and a large retail space. There has been reorganisation of local universities, including housing some faculties in old cotton mills, which in turn; created local employment and businesses there. The high speed line there is seen as a catalyst for continuing growth.

The China High-Speed Rail

China’s high-speed rail system has emerged as an unexpected success story. Where other emerging economies are faltering in comparison, economic and transportation experts are citing the high speed rail as one reason for China’s continued economic growth.

Just five years after China’s high-speed rail system opened, it carries nearly twice as many passengers each month as the country’s domestic airline industry. With traffic growing 28 percent a year for the last several years, China’s high-speed rail network will soon handle more passengers than the 54 million people a month who board domestic flights in the United States.

The economic growth can also be related to work productivity, as a paper by the World Bank reported that cities in China that are connected to the high-speed rail network is likely to have a higher worker productivity level. Also, companies find themselves within a couple of hours rides from tens of millions of potential customers.

This is due to new residential and commercial districts that have mushroomed around the high-speed train stations which is also one of the leading cause for China’s rapid urbanization.


**The Socio-Economic Benefits of the HSR** [2]
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