

## **America needs to invest more into its infrastructure to compete on a global level**

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By Shannon Murphy

*The following guest opinion was submitted by Saginaw County Chamber of Commerce President and CEO Bob Van Deventer and Former Pennsylvania Governor Ed Rendell, Co-Chair of Building America's Future Educational Fund. The fund's goal is to work with legislators and other officials to secure more funding for maintaining and upgrading America's infrastructure.*

Infrastructure may be one of the least sexy words in the English language, but it is one of the most important.

Infrastructure is really about the quality of life we want for ourselves, our families and our communities. It's the roads and bridges we drive on, the schools our children learn in, the trains we ride on, the water we drink. It's the energy grid that powers our homes and offices and also the dams and levees that protect us from flooding. Like the skeleton in our bodies, infrastructure is the framework on which every other important thing in a modern society is built. It affects our lives each and every day. It is the foundation of our health, security and prosperity.

However, in Michigan, like in many other states across America, infrastructure is aging. According to a respected national organization that analyzes road conditions, TRIP, 35 percent of Michigan's major roads are in poor or mediocre condition. Driving on roads in need of repair costs Michigan motorists \$2.5 billion in extra vehicle repairs and operating costs. That amounts to \$357 per motorist. Add to that the 24 percent of the state's bridges that are either in need of repair or can no longer handle the traffic flow and you start to get the picture of the poor condition of the transportation system.

This unfortunate trend is not unique to Michigan. Our nation's lack of strategic investment has consequences for every American. In 2010 Americans wasted 4.8 billion hours sitting in traffic at a cost of \$101 billion and 1.9 billion wasted gallons of fuel. Further deficiencies in our transportation systems cost households and businesses nearly \$130 billion in 2010.

While underinvestment in our transportation infrastructure results in greater congestion and more traffic fatalities (roadway conditions are a significant factor in approximately one-third of traffic fatalities) it also makes America less competitive with the rest of the world.

In 2005, the World Economic Forum ranked the America's infrastructure number one in economic competitiveness. Today, our rank has fallen all the way to 16. It's a startling statistic until you consider the fact that our global competitors are vastly out-investing the U.S. when it comes to infrastructure. The U.S. invests just 1.7 percent of its GDP on transportation compared with nine percent in China, four percent in Canada and 2.4 percent in Australia.

Economists, academics and many of our global competitors all seem to agree: Long-term investment in infrastructure is vital to creating long term economic prosperity. Interest rates are at all-time lows and our economy desperately needs the job creation that would come from significant long term investment. So what are we waiting for?

In order to make the sort of long-term investments that are needed to upgrade and modernize the nation's infrastructure, Washington must reform transportation policy by setting clear criteria for all funding, encouraging state and local innovation through competitive incentives, streamlining the project delivery process and making sure that projects start and end on time and on budget and deliver the promised results. The recent transportation bill signed into law in July — Moving Ahead for Progress in the 21st Century — has begun to lay the groundwork for the type of policy reforms that are needed so that scarce federal resources are spent as wisely as possible.

But Washington needs to do more by removing obstacles to further state and local innovations and providing incentives to encourage more partnerships with the private sector. It is vital that there be a multi-year infrastructure policy and investments that will outweigh the cost and are based on sound economics, not politics.

The good news is that it's not too late to invest in infrastructure, strengthen the economy and build a future for our children and grandchildren. The opportunity is ours and the time is now. Let's get to work.