

## Infrastructure is economic future

by **Ed Rendell and Scott Smith** - Aug. 13, 2011

During this time of economic uncertainty and record federal deficits, many question why America should invest in its infrastructure. The answer is simple: Infrastructure is a vital economic driver that is essential to the long-term creation of quality American jobs.

Unfortunately, our position as the world leader in infrastructure has begun to erode after years of misdirected federal priorities and wasteful earmarks.

When it comes to transportation, Washington has been on autopilot for the last half-century. Instead of tackling the hard choices and embracing both public and private innovations, federal transportation policy still largely adheres to an agenda virtually unchanged since the Eisenhower administration.

As a result, American citizens waste time, money, and fuel stuck in traffic.

According to the Texas Transportation Institute, Americans in 2009 wasted 4.8 billion hours sitting in traffic at a cost of \$115 billion and billions of gallons of fuel.

Meanwhile, nations around the world are investing in cutting-edge infrastructure to make their transportation networks more efficient, sustainable and competitive than ours. These investments have helped to jump-start economic growth that is improving their standard of living along with their citizens' quality of life.

Building America's Future Educational Fund, a national and bipartisan coalition of state and locally elected officials of which we are members, recently issued the report "Falling Apart and Falling Behind." It offers a sobering assessment of transportation-infrastructure investments in the United States as compared with the visionary investments being made by our global economic competitors.

As recently as 2005, the World Economic Forum ranked the U.S. No. 1 in infrastructure economic competitiveness. Today, the U.S. is fifteenth.

This is not a surprise considering that the U.S. spends only 1.7 percent of its GDP on transportation infrastructure while Canada spends 4.0 percent and China spends 9.0 percent.

Even as the global recession has forced cutbacks in government spending, other countries continue to invest significantly more than the U.S. to expand and update their transportation networks.

For example, China has invested \$3.3 trillion since 2000 and recently announced another \$105.2 billion for 23 new infrastructure projects. Brazil has invested \$240 billion since 2008, with another \$340 billion committed for the next three years.

The result? China is now home to six of the world's 10 busiest ports while the U.S. is home to zero. And Brazil's Acu Superport is larger than the island of Manhattan with state-of-the-art highway, pipeline and conveyor-belt capacity to ease transfer of raw materials onto ships heading to China.

To get our nation's economy back on track, we must develop a long-term national infrastructure strategy for the next decade.

We are not proposing another quick round of federal spending. We are advocating for a long-term infrastructure policy and investments that will outweigh the cost and are based on economics not politics.

Washington must put our nation's financial health first and finally pass a reauthorized multiyear transportation bill, target federal dollars toward economically strategic freight gateways and corridors, and re-focus highway investment on projects of national economic significance.

It is also time we embrace creative infrastructure-financing options, including a National Infrastructure Bank, America Fast Forward, Build America Bonds and capital from the private sector. Many of these new programs help to facilitate infrastructure investment and will not negatively impact the federal deficit.

In Arizona, we have seen firsthand how infrastructure investment has influenced economic activity and created quality jobs.

In Mesa, the completion of Loop 202 has led to hundreds of millions in new private investment and thousands of new jobs at and around Phoenix-Mesa Gateway Airport, and it was essential in establishing commercial air service to the airport.

If we fail to act, we risk consigning our nation and our children to economic decline. Rebuilding America's future cannot be a Democratic or Republican political cause; it must be a national undertaking. And if it is, there will be no stopping us.

Let's get to work.

*Ed Rendell, a Democrat, was governor of Pennsylvania from 2003-2011. Scott Smith, a Republican, is mayor of Mesa and vice chairman of the U.S. Conference of Mayors. Both are members of Building America's Future Educational Fund. Read the report: [www.BAFuture.org](http://www.BAFuture.org).*