

InfrastructureUSA

Guest on THE INFRA BLOG

Ronald DeFeo, Chairman & CEO, Terex Corporation

Conversation with Steve Anderson, Managing Director, InfrastructureUSA

Ronald DeFeo:

We can't take infrastructure for granted

I think we have tended to take our infrastructure for granted because it's there. We want to live our lives, we're focused on the things we're interested in and over time we get convinced that when you turn the switch on electricity will be there. When you turn the faucet on, the water will be there. When we want to drive on a road, the road will be there. These are basics that we take for granted. We focus on living our lives and we don't really think about what it took to bring them to that point. And I think we in this country run the risk that some of these things we take for granted may not be there. I don't think you can take anything for granted forever. I look at the world and I see in places like China, India that are developing nations, they don't take these things for granted and they are being reminded of the lessons every day that infrastructure and economic prosperity are tied together significantly and you cannot have one without the other. I look at infrastructure almost like the circulatory system of a human body. Our feet, our hands, our arms are connected through the blood that flows through our systems. When that blood stops, we die. I think we need to be reminded, and we are periodically, that when the infrastructure gets broken bad things happen.

A little planning can prevent a crisis

In our society, it takes a crisis to create action. It shouldn't have to be, but it often has been. I think what I've been trying to do, and by the nature of your website you've been trying to do, is to illustrate to people that we shouldn't have to wait for a crisis to plan our own future. Just like any business that has to continuously invest in its stability, this country has to continuously invest in its infrastructure because it won't last forever. Nothing lasts forever. If we don't recognize that, we will be surprised when the crisis happens. When crises happen, bad things happen. People die, people get hurt, buildings fall, bridges cause people to drive a hundred miles out of their way when they get closed. The list is very long about what can happen if you don't plan for problems.

If we don't act now, who will?

Job one is maintenance. That will save lives, avoid crises and keep things functioning. Job two is to plan for our future. That is to look out thirty years or so where the demographics are already clear how this country is going to change. We're going to have more people living in different places than they do today wanting different services, and we should plan our basic infrastructure requirements for thirty years from now just like our forefathers did. That's power related. It's global positioning satellite related. It is using smart systems to plan traffic. It's high-speed rail. It is all forms of modernization that we can think of and we should put a plan and a priority list together where the programs and the projects with the highest risk and the highest returns get the first level of initiative. That is something that has to be sold to the American people and sold on the basis of it's in our best interest. I'm convinced people will pay for that. People do not like paying for things where they don't see tangible benefits. So when you have infrastructure type projects that are a laundry list that you come up with in a short period of time, people get annoyed. Projects such as swimming pools, tennis courts, paving the Orange Bowl parking lot, those all get on the list when you say we have to put people to work this afternoon. Yes, you might want to put people to work this afternoon but people view those as wasteful and those are the projects that should not be on the taxpayer's nickel, they should be on the private enterprise basis nickel. Ultimately, the government is only responsible for a handful of things. Our infrastructure is one of those things.

We need major change

Small steps will result in a small amount of progress. I'm one that says we need to take big steps. We need to get the outrage on the table. I'm outraged every time I fly out of LaGuardia airport. Why? Because it takes me an extra 45 minutes to fly out of that airport and if you examine the schedules, you'll see the time is built in. Why is it built in? Because the air space around the city of New York is too jammed. Is my time unimportant? Is your time unimportant? Are the millions of people who fly from LaGuardia, is their time unimportant? I think it is. We report on the traffic and weather in this country as if we can't do anything about the traffic just like the weather. You can do something about traffic. You can do something about the air space in and around the city of New York. It just requires leadership. We have a society where people view progress as stopping what somebody else wants to do.

We used to be infra innovators, but now the U.S. is lagging

Stewart Newburgh Air force base, now Stewart Airport 75 miles north of New York City. One of the longest runways in the country. A space shuttle could land there. You put a Maglev train from Stewart down the Hudson into New York City that will travel 200 miles an hour. You get people from there into Manhattan

quickly, you entirely change air traffic from Europe. You entirely change that around New York City. Why couldn't we do that? Our country has built some of the most remarkable infrastructure projects man has ever conceived. But where are the ones for tomorrow? Where are they? If you had to pick the top ten major infrastructure projects in the world that will advance the way people live, can you think of one in the United States? I cannot.

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