

InfrastructureUSA

Guest on THE INFRA BLOG

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Conversation with Steve Anderson, Managing Director, InfrastructureUSA

Aviation: Invaluable and Taken for Granted

Airports are a huge economic engine in this country; driving 1.2 trillion dollars of economic activity, and I'd argue that that's understated if you try to imagine our current economy without our air transportation. In addition to all the not only personal travel, but business travel, 50% of US exports by value travel by air. So that's a huge economic input. I don't think that \$1.2 trillion fully captures, but it's still a big number, and if airports were a single corporation, airports would be the second largest employer in the United States behind Wal-Mart. So it's a huge economic engine, and I don't think people really fully understand that. And I think part of the problem, part of the reason that happens, is you go to the airport, you never see a pothole in the runway; you don't see a crack in the runway; the terminal building doesn't fall down, the airport – the folks who lead the airport industry – make things work somehow. But people tend to take it for granted. They might need an airport a couple times a year, and when they do it's there, they drive to work every day so they're driving over the same pothole, they drive through the same traffic congestion, and all the rest of it; but they don't see that at the airport. I think that's a real challenge that we face, so we've begun and generated a multi-million dollar, multi-year. PR effort to educate people on the importance of airports, and that we need to invest in them to not only build new facilities – and better facilities – but to modernize our airport infrastructure.

International Competitiveness

Part of this issue that a lot of people tend to underplay, that there's an international competitiveness part to this issue. I can tell you from working in a governor's office in the state of Virginia in the 80's – late 80's – we spent a lot of time, very successfully, attracting business to Virginia, and the two things they cared about were education and transportation. And that's why the governor, at that time, pushed through the largest tax increase in the history of the state: to fund transportation, and some of that money went to develop airports. It wasn't just for roads, everybody always called it the Highway Bill, but a lot of the money went for airports, both commercial and general aviation airports; the people wanted to know that the community was fine; we wanted to know if we can get our people and our goods inside and out. And if you can't show that, then you're going to lose that business to some place else, or another part of the country, or another part of the world. And I think the civil engineers are right: we're losing the international competitiveness battle here.

Investment is Not a Bad Word

People tend to think, “Well, you know, as long as nothing’s falling down, everything is okay.” And then the bridge collapsed in Minneapolis, and so for about three weeks there was a lot of intense focus and then it went away. And water mains are breaking every day, we had one break on our street – residential street – just a couple weeks ago; they’re breaking every day, and the old saying “absent of crisis, we can’t generate political attention” certainly comes into play here. The other thing that comes into play in today’s political atmosphere is that too many people tend to equate the word “investment” with “spending,” and spending has become a bad word. Most places, business and even state and local governments, have a capital budget and invest in these kinds of things, and look at it that way. But at the federal level we just don’t seem to, and right now with the political climate the way it is, it’s just proven a lot tougher to make these arguments because people just think you’re some kind of backhand way trying to promote another stimulus package or something. And so we’re losing the ability to look long-term on these issues.

The Cost of Doing Nothing

You think about places like Korea, where when I was a kid it was one of the poorest countries in the world, and now they have, at least in part because of the infrastructure, the Incheon Airport. ACI World, our worldwide organization, had an award for seven years: World’s Best Airport. And they actually had to discontinue the award, because Incheon won it every year. It’s that kind of commitment to that kind of investment which has really made South Korea a first world country, and not a third world country. And when all we do is talk about how much things cost to do, former Governor Rendell of Pennsylvania, who I think is probably the best leader on this whole infrastructure issue, likes to say: “We should talk about the cost of doing nothing.” And if you think about it that way, we need to start turning the argument around. But unfortunately, the argument is really “what’s the cost of doing something?” and we need to change that.

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