

InfrastructureUSA

Guests on THE INFRA BLOG

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**Conversation with Steve Anderson, Managing Director, InfrastructureUSA
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Petra Todorovich:

The need to focus on infra issues

I think the big challenge right now is getting people to focus on infrastructure in light of all the other important issues that our country faces at the moment, like the healthcare debate and foreign wars and the economic crisis. Unfortunately, I think that we had a brief moment last year in particular, when the U.S. was considering the stimulus bill, that people really were focused on infrastructure, and they were focused on the ability of infrastructure investment to create jobs and also lay the foundation for long-term growth in the United States, which is something that we can never lose sight of, even in the midst of an economic crisis. Unfortunately, I think that moment has passed, and currently we're having trouble getting people to focus back on infrastructure. Unless there is a steam-pipe explosion or a bridge that falls down, or a really horrible gridlock or a train accident, it's something that people really don't normally think about, unless it fails when it should be working for people. Right now, I think the challenge is to get infrastructure back on the public agenda, and get people excited about it and they want to pay for it, because that's the problem right now. Unless we can raise more funding for transportation in particular, unless politicians are willing to raise the gas tax, we don't have the wherewithal to fund our highway and transit programs, and we can't make the reforms that many think are needed.

Show me the infra funding!

When you're talking about, for example, transportation reform, it is a complex issue. It's a complex policy issue and there's no reason for the average person to get engaged in the complex details of highway funding formulas and how money flows through the states and how decisions are made at the state level because it's so complex that the law makers themselves don't necessarily understand it, how these bills get hashed out and how the funding gets appropriated in certain ways. So that's one hurdle, is getting people engaged in the intricacies of policymaking and transportation, which has so much history and complexity that it can turn people off. I think the second issue is mistrust and perception of waste of money. We spend a lot of money on highways and transportation in our country, and there's been a lot of valid concern that that money isn't being spent effectively or efficiently. Particularly when one of the biggest debates in Washington is what state gets the most money back for what it sends to

Washington in gas taxes. So, when that's the big policy question—how much money does my state get versus your state—that's not the sort of soaring policy questions that can engage people, in fact it's just logrolling, or good old-fashioned politics. That's what people are frustrated with, I think. They're frustrated with the earmarks, the bridges to nowhere, and the fact that a lot of money is going to Washington and it's hard to understand what people are getting back in return.

High-speed rail. People get it.

I think you have to focus on the big ideas that capture people's imaginations, and I think one bright spot is the funding that was provided in the stimulus program for high-speed rail. High-speed rail is something that people can really understand. They get it. They say "I understand how it would be convenient to have a fast, regularly reliable train between two major employment centers and how that might be preferable to driving in traffic or taking an airplane for 300 miles when you have all that time lost getting to the airport and going through security, and I could relax and use my laptop and enjoy the train ride. So I think people are excited about high-speed rail as a type of positive vision that could shape our country's development in the future, and get people out of their cars. It's the only transportation mode we have available to us—besides bicycling—that doesn't require imported fossil fuels. Trains can run off of the energy grid, and thus they can use renewable energy to power them. So, it's an exciting new area of transportation and it's exciting in a way that is tangible in the way that the interstate highway system was back in the 1950s when we started that program, when we started building a national network. People understood "coast-to-coast without a stoplight" and they understood the kind of economic benefits and the freedom of mobility the creation of that national system would bring them. So I think that's why, in the federal debate around transportation, we do need to focus on that positive vision, we need to have a national strategy and have a clear product and service that we are creating and building for Americans, and connect that to economic development and improvement to people's daily lives. It gets people excited in a way that filling potholes and repaving roads does not. That can be a problem because deterioration of our infrastructure is also something that needs funding. We can't let the existing system fall into disrepair. Unfortunately, people don't get excited about maintaining the existing system or "fix it first," even though that's something that's equally important for our economic competitiveness and the reliability of our transportation networks. It's harder to sell than something new and shiny like high-speed rail.

Infra investment, job creation, and taxes

I think that job creation needs to be a foremost concern in the middle of a recession and the highest unemployment levels in decades. But, the important thing is we can both create jobs in the short term by investing in infrastructure, and improve America's competitiveness in the long term—and the short term—by

creating new systems, maintaining our existing systems and upgrading all of our various transportation, water and energy systems. The problem is, when we look to other countries, like China, which is spending hundreds of billions of dollars on high-speed rail and passenger rail; Spain, which has invested similar amounts in a national system; and other countries that have gleaming, modern airports that are easy to access, and then we look at what we have in the United States. The issue is those other countries are paying for them. They have had to raise taxes to make those investments, and we're in a period where not only are we facing a grave recession, but it's very difficult to gain public support for new revenue options. We have been living off the largess of previous generations, the farsighted investments that were made in the post World War II era, and the Great Depression with all the programs that came out of FDR's administration. But we have to make those investments. It's very clear that it's necessary, and one thing I would say is that when there have been voter initiatives to raise, for example, sales tax to pay for a new light rail system in a city or region around the country, the vast majority of those voter initiatives have passed, so when voters can direct the revenue increase to a very tangible project like a new light rail line in their downtown, they overwhelmingly approve those. What's more difficult is raising the gas tax at the national level where people have less of a sense of where that money is going. So that's why I think it is important to provide a clear federal vision for transportation like a national high-speed rail program so people can understand exactly what their money is going to pay for.

A little infra education goes a long way

I think that any education on infrastructure is certainly helpful to the cause, and personally, when I was in high school I participated in a youth leadership program in St. Louis, Missouri in which we went around and we saw the sewer district's main water-cleaning plants and we visited city hall and the transportation department and we learned about all these aspects of civic life and public infrastructure, and I know that they have similar leadership programs for business leaders all around the country. I think those are very important. I think it's particularly important to have the business community engaged in issues of public infrastructure and transportation in particular, because businesses and competitiveness are so reliant on the good condition of infrastructure to do business, to move workers, to move goods. So, I think to the extent that we can make that less of a mysterious subject we can understand how the funding is collected, where it goes, what inefficiencies are in the system. Somehow we can improve those, how we can reduce waste, how we can engage the public in the decision-making process to a greater degree. All those will help build public confidence in the investments that need to be made, and public support for the investments, so I think education is key and I hope we can do more of it.

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