

InfrastructureUSA

Guest on THE INFRA BLOG

Hon. Steve Israel, U.S. Congressman, Long Island

Steven C.F. Anderson, Managing Director, InfrastructureUSA, spoke with Hon. Steve Israel at *Banking on the Future*, a conference presented by Manhattan Borough President Scott M. Stringer, in cooperation with Congressman Israel, Bernard L. Schwartz and the Steven L. Newman Real Estate Institute. The event took place on March 14th, at the William and Anita Newman Conference Center, Baruch College, City University of New York.

Steve Israel:

Infra affects everyone, every day

One of the great ironies of the issue of infrastructure and public involvement is that infrastructure directly affects the public and impacts the public more than many other issues in Washington, D.C. and in our state capitols. Most Americans have, at one point or another, sat in traffic. Or, if you're from Long Island, it's not one point or other it's almost between every point that you sit in traffic. That's costing our economy \$115 billion dollars a year in lost productivity. Many Americans have sat on an airplane, hearing that they're fifth or sixth or tenth for takeoff because of air traffic delays. Many Americans have lost their job; we've got 12 million people who are unemployed in America. We've got 153,000 bridges that are falling apart. In the past what we have done – what we would have done – is taken those people who are unemployed and trained them to help rebuild bridges, or design bridges. And so infrastructure touches so many Americans. If you have a job, you're losing productivity because of bad infrastructure. If you don't have a job there's an opportunity to get a job working on infrastructure, and yet the topic has for too long been largely ignored. And that's because we have not framed it as a daily event; a daily impact on people's lives, and we've got to do a better job of doing that, which is why I'm so thrilled with your group and this website.

We haven't learned from the past

The Louisiana Purchase, the Erie Canal, the Transcontinental Railroad, the Works Progress Administration, the Civilian Conservation Corps, the Federal Interstate Highway System: Infrastructure has always been a critical economic tool to reignite the economy, and that's missing now. These challenges are probably greater and graver than most economic challenges that we have faced, and the only thing that's missing is the kind of response that we've had in the past. And it's particularly serious when you compare what we're doing to what

our global competitors are doing. China will invest \$200 billion dollars in high-speed rail, Spain will invest \$150 billion dollars in high-speed rail, and we just concluded a raging debate over a fraction of that: \$8 billion in the American Recovery and Investment Act, for high-speed rail. Most of that money went to the state of Florida, and their governor just said “No, don’t want it. It’s a boondoggle,” and gave it back. And so you cannot move forward in any global economy based on missteps, back-steps, and half steps. And, unfortunately, those are the steps we are taking right now with respect to infrastructure.

Finding a way around political roadblocks

I think that, unfortunately, we take a step forward on infrastructure, and then for a variety of reasons, end up taking four to five steps behind. I’ll give you an example: The administration has done a very good job in suggesting that we make investments in infrastructure, and yet last week, the Republicans in Congress offered a continuing resolution that essentially dismantles our infrastructure, zeroes out funding for high-speed rail, slashes funding for water quality, clean drinking water. Now you cannot make the argument that we can rebuild America, but not make the right investments. And so we have a compromise that we’re suggesting because we don’t have unlimited funds, and we understand that we’ve got to tighten our belts, but we think that we should be fair. So we’ve suggested that we emphasize public-private partnerships on infrastructure, that we create a national infrastructure development corporation that— if you can’t create a national infrastructure development corporation, and I’m skeptical that the same Republicans who voted to slash infrastructure investments will be okay building a public-private corporation--that we investigate state infrastructure development banks. California has one. A fairly small capital outlay resulted in over \$33 billion dollars in infrastructure improvements in California. And so I’m hopeful that this conference, and our allied groups, will develop a proposal for a NYS infrastructure development bank--hich is something that is sorely needed by our state economy.--will rebuild bridges like the Tapan Zee and others, and put New Yorkers back to work.

Infra investment is a matter of long-term economic security

Well, infrastructure is not just a jobs program. It is much broader, much deeper, and much more strategic than that. There’s a reason why China has invested \$200 billion dollars in high-speed rail. There’s a reason why India is doubling its port capacity. There’s a reason why Israel is trying to make obsolete the internal combustion engine, and put gas stations out of business and replace them with battery swap-out and battery charging stations. The reason for those things: it is a matter not only of job security, but of national security. It is a matter of long-term economic security. Every homeowner should understand this. When you own a home, you want to protect your investment. Well, we own a country, and we should protect that investment, which means improving the quality of our

assets over the long term. And that creates jobs, which is a pretty good by-product of asset protection.

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