

hensive plan that includes tax relief, benefits for the unemployed, and strategic infrastructure investment to create jobs.” Chicago Mayor Richard M. Daley chimed in that Congress should adopt a plan that “will put people back to work as quickly as possible.” The action plan adopted by the mayors calls for investments in local infrastructure projects “that are already planned and can be started quickly.” These would include road and bridge improvements, transit and high-speed rail projects, and water security development projects.

The mayors heartily endorsed the proposal of Sen. Harry Reid (D-Nev.) which calls for almost \$40 billion in Federal investment in transportation improvements (see *EIR*, Oct. 19, 2001). Reid praised the mayors for beginning their conference on security, with a discussion on the economic stimulus package. “You understand more than anyone else,” he said, “that economic strength translates into security.” He told the mayors, “All across our nation, there are literally billions [actually, trillions — ed.] of dollars of unmet needs, for roads, waste water and drinking water systems, bridges, trains and transit

programs. . . . If we’re to accomplish the goal of promoting a strong national economy, the economic stimulus package must focus on the infrastructure work that is ready — ready right now.”

The key issue is the real economy. Senator Reid told the mayors that “while tax cuts are important, they do little for an American out of work. [Congress needs] to hear that extending unemployment benefits, while very important, is a bridge to nowhere if there isn’t a job at the other end.” Reid’s proposal points in the right direction, compared to the tax cuts pushed by Congressional Republicans and the White House. Only new job creation will generate the revenues that cities and counties need to provide the resources to defend the general welfare. However, the effectiveness of such a program will be limited by the degree to which it tries to function within the existing collapsing financial system. Only a complete bankruptcy-style reorganization of the entire economy will address the long-term problem that Reid and the mayors are facing.

Senator Reid To Mayors: Build Infrastructure, Now

Here are excerpts from the remarks of Sen. Harry Reid (D-Nev.) to the Oct. 24-25 emergency meeting of the U.S. Conference of Mayors.

I appreciate your support for my proposal to make transportation and water infrastructure investments a fundamental part of any stimulus package. All across our great nation there are literally billions of dollars in critical but unmet needs — for roads, waste water and drinking water systems, bridges, trains and transit programs. All of these projects are worthy. But if we’re to accomplish the goal of promoting a strong national economy, the economic stimulus package must focus on the infrastructure work that is ready — ready right now. To jump-start our economic engine, we must act on projects that are ready now, today. These projects need to be taken off the shelf, to begin construction and job creation immediately. Such projects need to be genuinely stimulative, fiscally responsible, and temporary, in order to meet the goals of this economic stimulus package.

Every mayor in this room knows these projects are out there. But we knew that prior to Sept. 11. One example: rural water assistance. The United States Department of Agriculture has a backlog of \$3.5 billion in approved, ready-to-go drinking water and waste water projects. They’re ready now. They were ready yesterday. Local fi-

nancing, environmental, and other requirements have been met on these projects. Again, all these projects lack is money — money to get them going now, certainly this year.

Examples like this exist for every major infrastructure segment of our economy. Many of these short-term projects would also provide the dual benefits of enhanced security and enhanced public health. Investment, for example, to convert drinking water facilities from chlorine gas — a chemical which could pose dangers to neighboring communities if released — to safer alternatives is just one example of the dual benefits offered by infrastructure investment. It would also confer public health benefits by decreasing harmful drinking water contaminants.

Infrastructure projects like these will get us the biggest bang for our buck. A dollar invested is a dollar spent. For every billion dollars we spend, we create roughly 42,000 jobs. Forty-two thousand people paying taxes, buying cars, buying refrigerators, buying homes. That’s why this infrastructure package is so important.

And as every mayor knows, you can’t import a road or water project. And as every mayor knows, these jobs are for American workers, which will invest in the safety of America’s infrastructure. And as every mayor knows, a system which supports all forms of commerce and which has been neglected for far too long. And as every mayor knows and as I know, most of the tax proposals now under consideration in Congress would get us little short-term benefit and would come at a huge long-term cost. And as every mayor knows, at a time when we can’t predict what the economy will be a year from now, we shouldn’t be mortgaging our future.