

Infrastructure Fix To Cost Trillions

by Mary Jane Freeman

To fix basic infrastructure in the United States and make it safe, will take a \$1.6 trillion infusion over five years, says the American Society of Civil Engineers. The ASCE released its 2005 "Report Card for America's Infrastructure," in Washington, D.C., on March 9, identifying the impact of infrastructure collapse on the economy and living conditions. The ASCE team of civil engineers' survey found that "the overall grade for our infrastructure is a 'D,' down from the 'D+' grade" in the 2001 Report Card. A comparison of the 2001-2005 Report Cards reveals the extent of the collapse.

ASCE president William Henry chided the "patch and pray" approach to infrastructure failures, saying that the "time has come to call for the creation of a long-term infrastructure agenda for our nation." With water main bursts, sewer overflows, dam failures, and Americans stuck in traffic 3.5 billion hours each year, "our infrastructure is sliding toward failure," he said. Joining Henry were the mayor of Akron, Ohio, Donald Plusquellic, in his capacity as president of the U.S. Conference of Mayors, and Seattle Mayor Greg Nickels, head of the Conference of Mayors' transportation committee.

Mayor Plusquellic did not mince his words: Instead of "drinking the kool-aid of tax cuts" and buying the "ideological crap of some guy named Grover" (as in Norquist), we "need a strong partnership with the Federal government." It used to work, he said, and insisted it is better to "fix a problem a year too early, than a day too late," referring to the deadly consequences of not tending to failing bridges and the like. Plusquellic said he was incredulous that the Bush budget zeros out Amtrak, and intends the "virtual elimination" of the community development block grants, both vital to cities.

Seattle Mayor Nickels said "America must learn to compete in the world," a world in which others are "planning for the future." If you want to get a product from Akron to Seattle in 24 hours, you'd be hard pressed to do it, because "we don't have the infrastructure to do it." Nickels asked, if your child or legislator told you their grades went from D to D-, "but gee, it could have been worse," wouldn't you know that something had to change?

All three speakers insisted that "political will" is critical. Right now, Henry lamented, the "prospect for any real improvement is grim." Plusquellic gave political will an "F," arguing the Federal government used to provide matching dollars to state and local governments to get projects done. "The dollars were used to leverage public and private investment." "Cutting taxes" and "borrowing for wars," he said,



The aging Rockefeller Road Bridge, Cleveland, Ohio, is one of many decaying bridges over the rail corridor.

will not make us secure at home. Nickels added that both Democrats and Republicans want to foster infrastructure investment.

Dollars which are spent to shore up and expand infrastructure create jobs and lay the foundation for future economic growth. ASCE estimates that spending \$1.6 trillion over five years on infrastructure will generate at least 5 million jobs. The ASCE Report Card is a "good starting point" as Plusquellic said.

However, the *EIR* economics team puts the real costs of upgrading and launching a 21st-Century economy and infrastructure, upon which our children and future generations can depend, at closer to \$8-9 trillion, factoring in areas not addressed by ASCE.

Failing Grades

The ASCE surveyed 12 categories in 2001, and added three new ones this year—public parks and recreation, rail, and security. Of the original 12, conditions worsened in roads, drinking water, transit, wastewater, hazardous waste, navigable waterways, and energy. Conditions improved slightly in aviation and schools, and remained the same for bridges, dams, and solid waste. A summary for each state and the District of Columbia is provided. Here are a few Report Card highlights; the rest can be viewed at the ASCE website, www.asce.org.

Drinking Water and Wastewater: From D, down to D-. Every day, 6 billion gallons of clean, treated drinking water is wasted, mostly because of old, leaky pipes and water mains. That's enough water to serve the population of a state the size of California. Yet, federal funding in 2005 was \$850 million, or less than 10% of the total national need. Aging wastewater systems discharge billions of gallons of untreated sewage into America's surface waters each year. EPA puts the 20-year investment need for wastewater systems at \$390 billion.

Locks and Dams: From D+, to D-. Nearly 50% of Feder-

ally operated inland waterways locks are functionally obsolete, and by 2020 this figure will increase to 80%. The number of non-Federal “unsafe dams has risen 33% to more than 3,500” since 1998. ASCE estimates that \$10.1 billion is needed over 12 years to repair, renovate, or remove all non-Federal “critical” dams, that pose a risk to human life should they fail. State dam safety officials put the cost at \$36 billion. Yet, Bush’s 2006 budget calls for zero funds to operate these dams, and cuts the Army Corps of Engineers’ budget affecting Federal dam maintenance.

Schools: From D–, to D. There is no national picture of the state of schools; however, various states report the need for billions of dollars in repairs, renovation, and new construction. A national estimate to bring schools into good condition ranges from \$127 billion to \$268 billion.

Roads: From D+ to D. Poor road conditions cost motorists \$54 billion a year in repairs and operating costs. Americans spend 3.5 billion hours a year stuck in traffic, at a cost of \$63 billion a year to the economy. In California, for example, 60% of the state’s major urban roads are congested, and 71% of the major roads are in poor or mediocre condition. Yet, the state transferred \$3.1 billion from its transportation trust fund

to the general fund, jeopardizing maintenance.

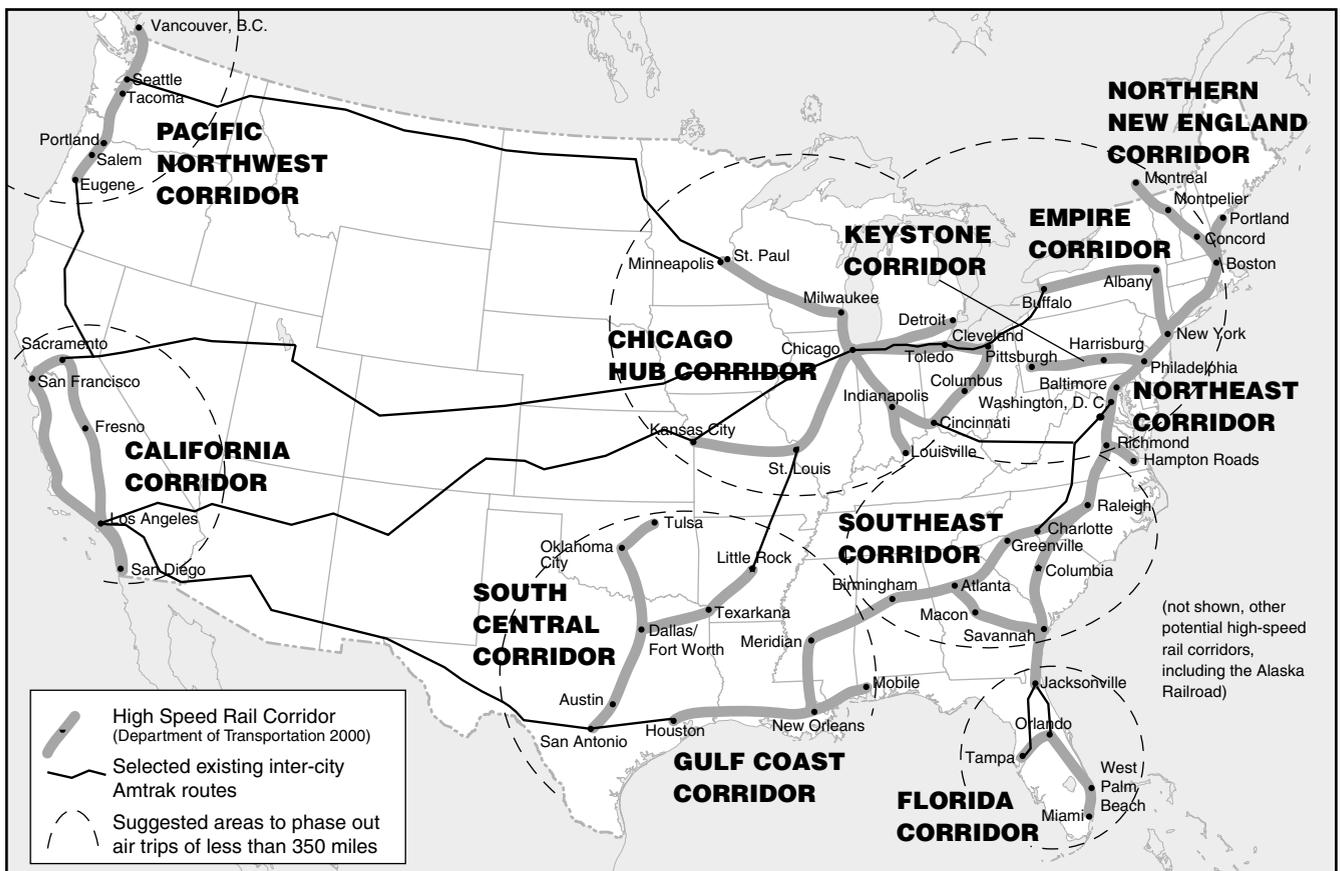
Bridges: Remains at C. Improvement in elimination of structurally deficient or obsolete bridges was slight; 28.5% of bridges were deficient between 2000 and 2003, and 27.1% were in 2005. Despite this, one in four urban U.S. bridges is deficient, and many are closed to heavy vehicles such as fire trucks and school buses. To eliminate all deficient bridges requires \$9.4 billion, a year, for 20 years.

TABLE 1
Rising Poverty in Industrial Cities

City	% Poverty			
	1970	1980	1990	2003
Cleveland	17.1	22.1	28.7	31.2
Detroit	14.7	21.9	32.4	30.1
Philadelphia	15.1	20.6	20.3	22.3
Buffalo	14.8	20.7	25.6	26.5
St. Louis	19.9	21.8	24.6	24.6
Cincinnati	17.1	19.7	24.3	21.1

Source: U.S. Census Bureau, American Community Surveys.

FIGURE 1
United States: High-Speed Rail Corridor Designations



Public Transit: From C-, to D+. Ridership continues to grow, yet funding for maintenance and expansion lags behind. About 14 million people ride public transit daily—bus, light rail, and so on—with another 25 million using public transit regularly, but not daily. Total capital spending was at \$12.3 billion in 2003, yet estimates are that \$20.6 billion is required yearly to bring transit systems to a condition of “good.”

Infrastructure Must Be a Science Driver

At the ASCE event, a reporter asked who’s to blame, Bush or Clinton. Henry replied, “this situation is a result of decades of neglect” and failure of “political stewardship.” *EIR* refocused the discussion: “There was a 2004 Presidential candidate who did put rebuilding infrastructure on the table, and that was LaRouche. This is not a partisan issue. George Washington built canals. Abraham Lincoln built a national railway. FDR built our power infrastructure and dams. JFK’s space program gave a boost to aviation.”

Lyndon LaRouche, it was pointed out, has insisted on the crucial role of infrastructure to the economy and attacked the key impediments to necessary investment—balanced budgets, deregulation, and free trade. “We’ve been saving tax money, by destroying basic economic infrastructure in mass transportation, power generation, and distribution,” LaRouche said. “We say, we can’t afford it. . . . Therefore we’re going to save money! . . . We’re going to make things better by cutting tax expenditure, as Bush is doing. [But what we’ve done is] let our dams, water and power systems, schools, health-care systems, and everything else which is essential to life, collapse. . . . This is nuts! It’s insane!”

The speakers at the ASCE event worried that the “big dollars” involved would frighten policy makers, especially in the fiscal conservatives’ “curb-government-spending” climate which permeates Capitol Hill. But adherence to the axioms of free trade, globalization, and deregulation have transformed our producer-economy into a parasitical consumer-economy. We’ve cannibalized the infrastructure wealth created for us by the human and governmental resources, and applied scientific creativity, marshalled by President Franklin D. Roosevelt.

The slashing of physical-goods production and outsourcing of our manufacturing jobs is a key reason that the decaying infrastructure has not yet totally failed as we lessened the economic throughput. This wrong-headed policy direction also destroyed our formerly productive workforce. Poverty has dramatically risen in our industrial heartland **See Table 1**. Both ASCE Report Cards show that such cannibalization is reaching an end-point.

To reverse the economic malaise, evidenced by trade, current account, and budget deficits, we must launch a long-term economic recovery and invest in our most precious resource, our citizens.

What’s required is a series of crash science-driver programs to accelerate scientific discovery and technological

change as the motor force to fix what’s broken, and to leapfrog expansion of the economy for the future. Adopting this policy intention of progress redefines spending priorities. We would fully fund Amtrak, upgrade the track, and launch the development of the high-speed rail corridors. **See Figure 1**. Funding infrastructure development secures the productive powers of labor, 10, 20, 30 years ahead. To do this we must issue low-interest Federal credit through a Hamiltonian national banking system, to fund great infrastructure projects.

As LaRouche said: “We have to give people a vision of the physical reality . . . to give them a sense, that they have the right—not the opportunity, but the right—to that kind of [capital investment] policy.”

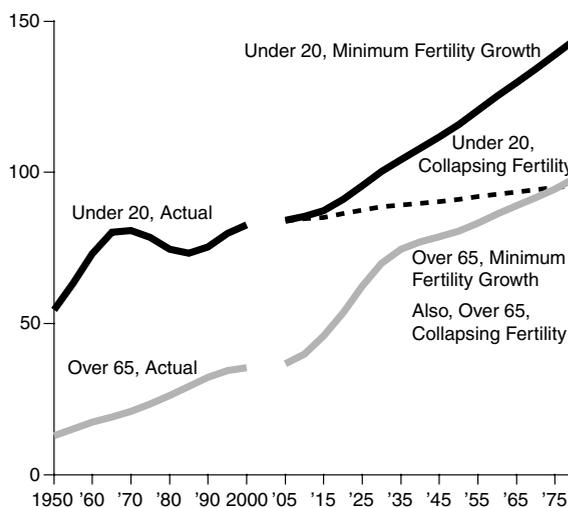
Correction

We print here a corrected graph that appeared in last week’s issue, in the article “Change the Assumptions to Growth, and Social Security Is in Find Shape,” on p. 28. The breaks in the graph lines distinguish between actual population and various projections. The Social Security Administration’s projection of collapsing fertility of those under age 20 conflicts with the forecasts of the U.S. Census Bureau, and builds into the model the conclusion that the number of people over 65 will overtake the number under 20, creating a crisis for Social Security.

FIGURE 9

Relationship Between Under-20 and Over-65 Population Depending on Fertility Assumption

(Millions of People)



Source: U.S. Social Security Administration, Office of Actuary; *EIR*.

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