

By Kathy Toppins | *The Business Times*

The country is repairing potholes when it should be investing in a sound infrastructure, said John Engler, president and CEO of the National Association of Manufacturers and past governor of Michigan. Engler spoke on infrastructure, energy and trade to a large audience of business leaders and state government officials attending the State Chamber of Oklahoma's Public Affairs Forum on Dec. 9 at the Oklahoma City Marriott.

"So, we think that countries that understand that infrastructure is the foundation for economic growth and invest in it have been smart," Engler said. In the past, he said, the United States was one of those countries.

Engler borrowed a quote from Ronald DeFeo, chairman and CEO of Terex Corp. and one of his board members: "We're not the most modern society when it comes to moving people and products around. The Roosevelt administration built dams. The Eisenhower administration built roads. Today, we're barely filling potholes."

Infrastructure investments made 50 years ago are crumbling, Engler said. The interstate system, for example, is in significant need of repair, upgrade and modification. Whether the car is fueled by fossil fuel, electricity or hydrogen fuel doesn't matter, Engler said. "It's still got to have a road to run on."

The manufacturers' association, Engler said, long has believed that the country has underinvested in infrastructure. Up-to-date roads, bridges, rails, air traffic control systems, ports and waterways, he said, are necessary to make the nation more highly productive and competitive.

The infrastructure funding component in the federal stimulus bill was disappointing,

Engler said. The \$60 billion budgeted for infrastructure did not speed up projects in most states, but merely replaced the drop in gas tax revenue, he explained.

"So, it did not become a big positive. Unemployment in construction trades is officially 18 percent," Engler said. He mentioned pockets of the country, such as southeast Michigan, where construction unemployment is more than 50 percent.

While discussing jobs in December, President Barack Obama indicated support for boosting infrastructure spending, Engler said. "That's an area where we hope we can find some common ground and work with him."

The American Association of State Highway and Transportation Officials, Engler said, reports that state transportation departments have ready to go 9,500 highway, bridge, transit, port, rail and aviation projects worth nearly \$70 billion.

Engler said he doubts all those projects could be programmed overnight, but thinks the nation's goal should be to ramp up training and material purchases. "It's a great time to be buying," Engler said.

He used the recent passage of Oklahoma City's capital improvements program MAPS 3 as a good example of investing for future quality of life. "This is a pretty prudent time to be doing these kinds of things," Engler said, "when you've got an economy that's challenged and prices are pretty good."

Moving
from pothole
repair to
infrastructure
investment

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