

The Trouble With Infrastructure



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Energy



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It's as American as apple pie. Both Democratic and Republican Presidents have called for rebuilding America's crumbling infrastructure. It may be the only thing that Democrats and the current President actually agree on. But it may never happen. The reality is that infrastructure spending will predominantly occur where people live in dense proximity and most Americans now live in dense proximity in Blue States. The Senate, a necessary party to any spending deal, is controlled by representatives of reliably Red States which outnumber reliably Blue States but include vast areas of low, even sparse population. Beautiful

country which frankly just doesn't need as much spending as where the population is concentrated.

What about a classic trade-off deal you may ask? Let's look at an example. The American Society of Civil Engineers publishes a comprehensive report of infrastructure spending needs State by State and by spending category. For example, necessary spending on wastewater treatment in New York, the home of the Senate Minority Leader Chuck Schumer, comes in at \$31 billion while Kentucky, the home of the Senate Majority Leader Mitch McConnell, comes in at \$6 billion.

Who thinks that Mitch McConnell will sign off on a bill that allocates over five times as much money to New York as Kentucky? And who thinks that the Senate minority and even fiscally conservative Republican Senators will support gratuitously spending an extra \$25 billion dollars in Kentucky so New York can fix its sewers?

The overall price tag for what is essentially deferred maintenance on the stuff we already have—I prefer to call it emergency repairs but let's call it Infrastructure 1.0 for now—is \$4.5 trillion. Even if the ratio of Blue State/Red State need is two thirds/one third, who is up for increasing that price tag to \$6 trillion to get a deal done? And where would that money actually go? The days of building a “bridge to nowhere” are over and it is actually Republicans who usually call out that kind of frivolous pork barrel spending.

Not that Red States don't need lots of things. Mr. McConnell's Kentucky, for example, could benefit from high speed internet, worker retraining, better education and opioid addiction treatment. But Kentucky's 4.5 million people just don't need as much stuff as New York's 20 million. So, any sensible plan to pay for Infrastructure 1.0 is dead upon arrival in the Senate. That's how representative democracy has come to work. Mr. McConnell is looking out for his constituents who aren't interested in seeing any of their tax dollars go to Brooklyn.

The House of Representatives is a better place at the moment on these issues,

with Democrats back in the majority, a condition that shifts with political tides and suffers from years of gerrymandering. But the problem lurks just beneath the surface. Urban districts are generally blue and rural districts are generally red, regardless of the region of the country; rural members are loath to fund urban needs and the majority in the House can flip back to red.

Unfortunately, the problem runs even deeper. Infrastructure 1.0 is just the beginning. It's to make up for years of underspending that has resulted in lead in drinking water, dangerous roads and billions of dollars in lost productivity from poorly maintained transportation networks. But that doesn't include the spending necessary to address climate change, both resiliency from the effects of that which has already happened and emissions reduction to prevent the even greater devastation that inaction will bring. It also doesn't include the spending needed to address continued urbanization which is a global trend driven in large measure by the shift in job opportunities away from manual labor—the reason that we are living in increasingly more dense arrangements.

This is Infrastructure 2.0 and the cost will ultimately dwarf the \$4.5 billion current repair bill. And while the heartland needs to be fortified against flooding and other extreme weather that threatens lives and agriculture, most of the spending for Infrastructure 2.0 will be in Blue States: coastal states and high urban density population states where most of the energy is consumed. Specifically, the West Coast and the Northeast including the Democratic strongholds of New York and Los Angeles.

Both Infrastructure 1.0 and Infrastructure 2.0 are mandatory, not optional. The country cannot survive without fixing our crumbling and failing basic systems and also both prepare for extreme weather and rising tides and contribute to the global effort for emissions reductions. And yet the political divide prevents these necessary measures at the federal level.

Why not address this State by State? Unfortunately, another unintended outcome of our Constitutional order is that States compete with each other for business and overall tax burden is one of the biggest factors in retaining and attracting

business. The bills for Infrastructure 1.0 and 2.0 are so large that individual States are unable to cover them and remain viable in the competition for growth that occurs within our own national borders. In addition, much of the spending is regional, like the need for new rail tunnels between New York and New Jersey which benefit the whole Tri-State region and the entire East Coast rail system. These issues need Federal financial support.

Amending the Constitution to provide for additional States to break the lock that rural America now holds on Federal priorities through its Senate majority may be a complete solution but, if it comes at all, it may be too late. Sooner than that, responsible leadership will need to help rural voters in Kentucky understand that fixing wastewater treatment in Brooklyn grows the overall US economy and the market for products they can produce and services they can provide as well as securing a home for their children and grandchildren who are likely to be part of the trend to move to urban areas to find work.

Just as climate change is a global issue that requires global collective action, the challenge of addressing the needs of American infrastructure is a national issue that must be addressed at a national level as a national priority and not as part of the partisan, regionally self-interested debate that has come to define our domestic politics.

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