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The New Deal wasn't built in a day

By Philip Warburg | January 19, 2009

AS CONGRESSIONAL leaders and incoming members of the Obama administration debate ways to jolt the economy back to health with close to a trillion dollars in new spending, the headlong rush toward "shovel-ready" projects may deprive us of a once-in-a-generation opportunity to breathe 21st-century life into an outmoded economy.

The last huge investment in infrastructure - back in the 1950s - brought us the Interstate Highway System, a huge boon to mobility that, at the same time, shredded the fabric of our towns and cities by creating conveyor belts of wealth to the suburbs. US automakers - the very same corporations that crawled to Congress for a multi-billion-dollar bailout - accelerated the process of urban flight and downtown decay by buying up, and then ripping up, public transit systems that met the mobility needs of millions of city dwellers.

More than half a century later, let's be sure to get our priorities straight before signing up for a spate of costly new highways and interchanges. There are crumbling roads and bridges that cry out for repair; these deserve our dollars. Along with those repairs, there is a long list of transit projects that - if built - would go a long way toward reviving urban neighborhoods and downtowns that lost out so dramatically in the last big round of transportation spending.

Here in the Boston area, completed design of the Green Line extension to Medford is just a year or two away; so is final design of the connector between the Red and Blue lines near Government Center. Let's make sure funds are at hand to move those projects forward. And let's make sure other cities' underfunded transit investments are met as part of the infrastructure stimulus package.

The last momentous federal investment in energy infrastructure - leaving aside the massive subsidies of nuclear power over the past half-century - took place nearly eight decades ago. Infused with capital by the New Deal, a new generation of hydro dams churned out thousands of new gigawatts of electricity while the Rural Electrification Administration brought much of that power to millions of homes without electricity. Today we need a new infusion of energy investment, this time to ease our environmentally crippling dependence on coal and oil.

A few years ago, the National Commission on Energy Policy mapped out the potential for wind energy, painting huge swaths of the Midwest and Great Plains states as prime wind energy terrain. Here in the Northeast, studies point to promising prospects for onshore and offshore wind energy. To tap these resources, we will need to invest in production incentives as well as transmission lines to carry wind-generated power to major metropolitan areas.

Neither wind power nor long-range transmission is an exotic or remote technology. They simply need a reordering of federal energy investment priorities through production tax credits and construction funds for transmission corridors that support renewable energy projects rather than dirty coal-generated power.

If the federal government banks on wind today the way it invested in hydro in the 1930s, we can make a real dent in the greenhouse gas emissions that our coal- and oil-fired power plants spew into the air. And if we use part of that new power to fuel a new fleet of electric or hydrogen-powered vehicles, we will finally be able to ease our dependence on oil from the politically precarious Middle East.

The federal stimulus package should also include worker-ready investments in residential and commercial energy efficiency. The long-term payoff is huge: a federal investment of approximately \$8 billion per year could spur up to \$24 billion in economic stimulus from matching state funds, customer spending, and lower energy costs. Energy efficiency programs typically save consumers \$2 to \$4 for every \$1 invested. And fielding an expanded corps of energy efficiency auditors and installers would give a welcome boost to employment.

In our eagerness to stoke the economy, we need to remind ourselves that the New Deal wasn't built in a day. With smart planning, we have a rare opportunity to transform the way we move around our towns and cities, generate power, and fuel our transportation fleets. Let's use the stimulus package to bring America into the 21st century.

Philip Warburg resigned as president of the Conservation Law Foundation last week to undertake writing projects. ■