

# ***POLICY BRIEF***

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## **A New Approach To Infrastructure Is Needed**

Let's be clear: infrastructure facilitates economic growth; it is a necessary, but not sufficient, factor for economic development. Development of highways, bridges, water and sewer infrastructure is critical in one respect only: to ensure the opportunity exists for private sector investment in productive activities that generate jobs, wealth and ultimately prosperity.

Southwestern Pennsylvania has no lack of economic “planners”—governmental agencies and quasi-governmental bureaucracies assigned the mission of “stimulating” or “facilitating” economic development. Nearly everything undertaken in the region passes under the microscope of one planning entity or another in order to determine that it “fits” with the region’s current economic development “vision”. It is critical to understand that in this context the region’s very future is assumed to fall under the purview of the current economic development “leadership group”—the Pittsburgh Regional Alliance, the Convention and Visitors Bureau, the Southwestern Pennsylvania Growth Alliance, and, of course, the various governments that have their say in raising and spending public funds for the purpose of “economic development”.

But, what if this approach is entirely wrong? We suspect that this very process—assembling a bunch of smart people to think, talk and plan economic development and then assuming all the components can be forced together to their liking—causes this region’s growth rate to lag others. The fact that this “process” occurs in a nether world, a sort of quasi-public sector, ensures that it is likely to fail, because the effort quickly becomes so politicized that the focus is befuddled into social engineering.

What is most alarming about this approach, we believe, is that it has resulted in a radical transformation of the mission of infrastructure investment authorities like the Southwestern Pennsylvania Commission (SPC)—the regional planning agency for the nine counties of southwestern Pennsylvania. In its statement of goals, it includes the following objectives:

- World-class cultural, historic, recreational and entertainment assets
- Clean air and clean water
- Affordable, well-maintained housing
- Moderate and manageable population growth
- Sustainable growth patterns
- Greater citizen involvement
- Better government collaboration
- A vibrant and diverse economy
- Distributing economic prosperity fairly throughout the region

What's peculiar and perplexing about these "goals" is that one is extremely hard pressed to fathom precisely what in the world they have to do with transportation infrastructure development. The answer is disturbing in the extreme.

"Economic development" in this region has been hijacked—it can be stated no other way—by a complex of organizations that see everything through a liberal, verging on socialistic prism. Transportation infrastructure investment in this context must be conducted in a manner that "*minimizes negative social and environmental impacts,*" rather than accomplishes its essential priority of facilitating private sector development. The result is that the region, vis-à-vis others, continues to be less conducive to private sector activity

While this is a harsh assessment, it is supported by the fact that the SPC's goals are prioritized so that "*Quality of Life*" is first, economic development second, and transportation last. And the mission statement of the SPC assures us that "*current and future planning options will be assessed according to whether they fulfill the region's vision and goals*" as listed above. This has shifted the impetus to the development of a politically correct transportation system, rather than one that is most effective at facilitating private sector economic development. As a result, the SPC will channel nearly half of the federal funds at its disposal into public transit. This will not just continue the heavy subsidization of an inefficient system that is unworkable from any practical standpoint, but will facilitate the expansion of mass transit to the overall economic detriment of the region. Even unnecessary and nonsensical objectives like "*making southwestern Pennsylvania more 'walkable' and 'bikeable'*" and "*promoting pedestrian and bicycle travel as a reasonable, safe transportation option*" are accorded high priority. Imagine the cost of: "*making sensitivity to bicycle and pedestrian needs a consideration in every transportation project.*"

It is actually recommended that every road-widening project should "*include a safety shoulder that doubles as a bike lane.*" These and other examples are proof positive that our current "visioning" approach to economic development is frittering away precious infrastructure development funds on completely nonsensical boondoggles.

We must return to a traditional view of the fundamental purpose of infrastructure and reestablish infrastructure development as a critical tool—necessary for future self-generating economic activity by productive human beings populating this region. Infrastructure development must be seen much more simply and evaluated much more severely. Does infrastructure serve to increase the economic potential of the region, or is the suggested approach actually anti-economic growth? Most of what is presented in the region's current infrastructure "vision" must be characterized as the latter.

As was suggested in *Policy Brief 25*, building new roads and extending water and sewer to the "greenfield" communities surrounding Pittsburgh would not guarantee anything more than to provide new opportunity for development. Unfortunately, the approach currently being employed by those "in charge" of our infrastructure future is more likely to limit such opportunity.

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