



# MONUMENTS TO TRYING TIMES

## STIMULUS INVESTMENTS THAT ARE STILL PAYING DIVIDENDS

Stimulus spending is a traditional economic remedy for economies in difficulty. It's also an opportunity to fix aging or inadequate infrastructure, transforming communities for decades to come. AECOM's **Steve Morriss** reflects on some of the world's greatest monuments to trying times, and what that means for post-coronavirus infrastructure.

In the aftermath of World War I, a young Lieutenant Colonel Eisenhower was sent by the U.S. War Department on an epic military motor convoy across the country. Sixty-two days and 3,251 miles after it left Washington, DC, the convoy reached San Francisco — an average speed of 6 miles an hour. The official report recorded 230 motor accidents including getting stuck in dust, quicksand, and mud, and sinking when roads and bridges collapsed under them. It concluded existing roads were “absolutely incapable of meeting the present-day traffic requirements.”<sup>1</sup>

That was in 1919. It took another 37 years to fund what is now the U.S. Interstate Highway System. In

1953, the newly elected President Eisenhower — who'd been impressed by German autobahns he'd experienced as Supreme Commander of Allied Forces in Europe during World War II — was convinced a highway system was necessary both as an investment in the nation's long-term economic prosperity and its national security needs.<sup>2</sup> He appointed General Lucius Clay to investigate who concluded: “It was evident we needed better highways. We needed them for safety, to accommodate more automobiles. We needed them for defense purposes, if that should ever be necessary. And we needed them for the economy. Not just as a public works measure but for future growth.”<sup>3</sup>

### Interstate Highway System

More than 60 years later, the highway system remains an essential part of American life, easing the flow of commerce and connecting millions of Americans with their workplaces, families and friends. It also features prominently in resiliency plans to evacuate metropolitan and coastal areas during natural or human-caused disasters.

The clarity of purpose that defined Eisenhower's highway investment can also be found in other post-war infrastructure programs in Europe and Asia. These examples confirm what history tells us: that infrastructure investment is always the answer to creating economic recovery because of the jobs it creates. The Economic Policy Institute estimates \$100 billion of infrastructure investment adds one million jobs.<sup>4</sup> Duke University's Center on Globalization, Governance & Competitiveness says that figure is double if the projects are transport-related<sup>5</sup> because of the boost transport infrastructure brings to other businesses.

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Although this current crisis does not come with the devastation of physical infrastructure that follows a war, every country in the world has infrastructure that is crumbling or that fails to meet current needs. Stimulus spending is an opportunity to fix that, boosting future prosperity.

### Japan's Shinkansen high-speed train network

In Japan, the economy was transformed by the beloved Shinkansen high-speed train network. Fundamental to the country's recovery from the devastation of WWII, it also underpinned its subsequent rise as an economic powerhouse. Hundreds of people waited overnight in Tokyo and Osaka for the arrival of the first two bullet trains in 1964, delivered less than a week and a half before the start of the Tokyo Olympic Games, precisely on time. The trains reduced the train journey time between Japan's two biggest cities from seven hours to four.<sup>6</sup>

Since then, the network has expanded across the country, with trains now reaching up to 320 km/h (199 mp/h)<sup>7</sup>. As well as powering the domestic economy through fast, reliable connections, Japan has become a world leader in rail technology exporting trains and equipment all over the world.<sup>8</sup>

### Britain's new towns

Meanwhile, in the UK, public finances had been utterly depleted by the war effort. Nonetheless, aerial

bombardment had destroyed critical infrastructure and huge swathes of the country, particularly in London, needed to be rebuilt. Before WWII ended, preparations for reconstruction had already begun with the 1944 Greater London Plan. In 1946, the government went still further with the New Towns Act, an ambitious programme for building entirely new towns.<sup>9</sup> Seventy years on, those towns are thriving communities, each with their own strengths and challenges. The short-term investment also paid off: by 1951, the Festival of Britain was heralding a national recovery — the symbol of which is still the Royal Festival Hall, a brutalist and much-loved exhibition and arts space on the south bank of the Thames — itself the result of stimulus spending.

More recently, governments from Australia to Korea, Canada to Mexico and Germany responded to the global financial crisis that had flattened their economies with stimulus packages. These resulted in new roads, railroads, public transport, airports, schools and universities, hospitals, energy networks, as well as investment in digital infrastructure.<sup>10</sup> In the U.S., millions of Americans worked on Recovery Act projects from wind turbine production in Muncie, Indiana, to tunnel expansion in Oakland, California.<sup>11</sup>

### Influencing lives for generations

Many of these smaller projects will be like the Chancellor Livingston School in Hudson, New York, attended in the

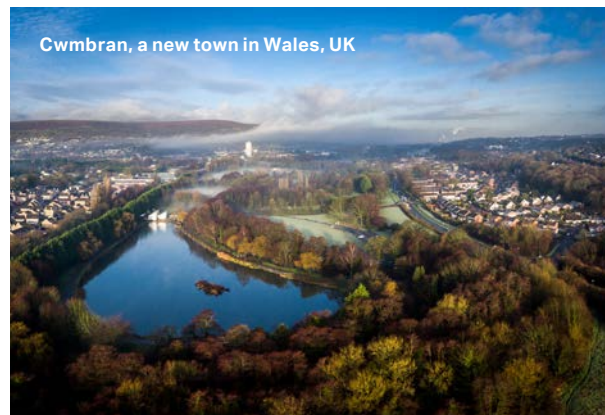
1980s by AECOM's Stephen J. Rutkey. Built in the 1930s under President Roosevelt's New Deal program to recover from the Great Depression, it was initially a high school. As the community grew and a new high school was built, it became a middle school, then an elementary school, which it is now, when a new middle school was built.

"Schools like this were built in the thousands around our country, and built so well that they have influenced thousands of lives over several generations and are local landmarks, all of them," said Stephen, who is Associate Vice President for Transportation in New York. "Hopefully what we do in 2020 and beyond for stimulus projects will include things as impactful and enduring as these schools."

To get the most out of the stimulus spending linked to the current crisis, timing is crucial. If a gap opens up between pre-coronavirus work and stimulus-funded infrastructure, the very industry needed to implement the monuments of the future will be damaged and the additional stop start costs will add to the bill.



**IN 1946, THE UK GOVERNMENT WENT STILL FURTHER WITH THE NEW TOWNS ACT, AN AMBITIOUS PROGRAMME FOR BUILDING ENTIRELY NEW TOWNS. SEVENTY YEARS ON, THOSE TOWNS ARE THRIVING COMMUNITIES, EACH WITH THEIR OWN STRENGTHS AND CHALLENGES.**



Cwmbran, a new town in Wales, UK