

I. INTRODUCTION

Since the beginning of our republic, transportation and infrastructure have played a central role in advancing the American economy—from the canals of upstate New York to the railroads that linked the heartland to industrial centers and finally the interstate highway system that ultimately connected all regions of the nation. In each of those periods, there was a sharp focus on how infrastructure investments could be used as catalysts for economic expansion and evolution.

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Other nations around the globe have continued to act on the calculus that state-of-the-art transportation infrastructure—the connective tissue of a nation—is critical to moving goods, ideas, and workers quickly and efficiently.

In the United States, however, we seem to have forgotten. Lost in a morass of pet project pork and politics, American transportation policy today is an unaccountable free for all, geared more to building bridges to nowhere than maintaining the ones we have, developing world class transit or unblocking the movement of freight at our sea, rail, and air hubs. Federal transportation expenditures are neither evidence-based nor outcome-oriented nor performance-measured, leading to politically-driven, rather than market-strengthening, investments.

The result: physical neglect, congestion, and environmental degradation now seriously compromise the efficiency of a network crucial to the national interest, with a price tag of needs conservatively estimated in the hundreds of billions.

Yet this urgent challenge is not experienced evenly across the American landscape. Today, in our post-agricultural, postindustrial, innovation-dependent economy, the roads to prosperity inevitably pass through a few essential places: our nation's largest metropolitan areas.

Metropolitan areas are where most Americans live, work, and produce the majority of the nation's economic



output. The services and revenues they generate drive state economies. These places gather and strengthen the assets that drive American prosperity—innovative firms, educated and skilled workers, institutions of advanced research, and specialized legal, technology, and financial firms—forming the front lines of competitiveness in the global economy.

As a consequence, all roads (and rails and air traffic) literally lead to these metropolitan engines, drawn by their clustering of people, the movement of goods, and the agglomeration of economic activity. The top 100 metros handle 72 percent of the nation's seaport tonnage, 79 percent of air cargo weight, 92 percent of air passengers, and 93 percent of rail travelers.

The time is long past due for a national transportation vision that recognizes the spatial concentration of our economic life and responds accordingly. It requires an extreme makeover, with a fundamentally new approach to almost every aspect of national policy: how we allocate funding; how we set priorities; how we apportion responsibilities; how we engage the private sector; how we price the system; how we connect transportation to other policies; how we structure the national government; and how we move from pork-driven politics to empirically grounded policy.

Fortunately, the time is ripe for such systemic reform. From genuine concern about the condition and quality of our existing infrastructure, to difficulties and limited choices in moving people and goods, to major national problems like climate change, foreign energy dependence, and strained household budgets, there is growing recognition that left unchecked these challenges threaten not only the quality of life in our country but also the competitiveness of our nation.

Today's fiscally-constrained environment must also be recognized and should be the motivating factor for real



reform. In this regard, one thing is abundantly clear: If national transportation policy is going to achieve critical national objectives (e.g., advancing competitiveness, promoting sustainability, enhancing security) it is going to need to focus unwaveringly upon them and prioritize accordingly.

This report is organized as follows:

This first section provides a brief introduction. The second section sets the demographic, economic, and social context for the discussion about transportation today. Section three frames the major problems driving widespread demand for reform. The fourth section connects conversations about the U.S. economy and transportation with the health of metropolitan areas. The fifth section highlights current flaws in federal transportation policy. And the final section presents a framework and discrete action steps for a pro-metropolitan policy agenda that advances American economic productivity, promotes environmental sustainability, and improves the assets and opportunities of families and workers.