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**Op-Ed Columnist**

# **Time Is Running Out**

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We've now lost 8.4 million jobs in this recession, and a vast majority of them are gone for good. The politicians are clambering aboard the jobs bandwagon, belatedly, but very few are telling the truth about the structural employment problems in the U.S. and the extremely heavy lift that is necessary to halt our declining living standards and get us back to an economy that is self-sustaining.

We don't hear a lot that is serious about the sorry state of the nation's infrastructure or the trade policies that crippled so many American industries or our inability (or unwillingness) to compete effectively with China when it comes to the new world of energy for the 21st century or our abject failure to provide a quality public education for the next generation of American workers, scientists, artists and entrepreneurs.

Speaking at a conference here on Wednesday, Gov. Ed Rendell of Pennsylvania said that if we don't act quickly in developing long-term solutions to these and other problems, the United States will be a second-rate economic power by the end of this decade. A failure to act boldly, he said, will result in the U.S. becoming "a cooked goose."

Neither the politicians nor much of the mainstream media are spelling out the severity of these enormous structural problems or the sense of urgency needed to address them. Living standards are sinking in the United States, and there is no coherent vision or plan for reversing that ominous trend over the long term.

The conference was titled, “The Next American Economy: Transforming Energy and Infrastructure Investment.” It was put together by the Brookings Institution and Lazard, the investment banking advisory firm.

When Governor Rendell addressed the conference on Wednesday, he used words like “stunning” and “unbelievable” to describe what has happened to the nation’s infrastructure. His words echoed the warnings we’ve been hearing for years from the American Society of Civil Engineers, which tells us: “The broken water mains, gridlocked streets, crumbling dams and levees, and delayed flights that come from failing infrastructure have a negative impact on the checkbook and on the quality of life of each and every American.”

The conference was sparked by a sense of dismay over what has happened to the U.S. economy over the past several years and a feeling that constructive ideas about solutions were being smothered by an obsessive focus on the short-term in this society, and by the chronic dysfunction and hyperpartisanship in much of the government.

I was struck by the absence of grousing and finger-pointing at the conference and the emphasis on trying to develop new ways to establish an economy that is not based on financial flimflammy, that enhances America’s competitive position in the world, and that relieves us of the terrible burden of reliance on foreign energy sources.

I was also struck by the pervasive sense that if we don’t get our act together then the glory days

of the go-go American economic empire will fade like the triumphs of an aging Hollywood star. One of the participants raised the very real possibility of Americans having to get used to living in an economy “that won’t be number one,” an economy that perhaps is more like Germany’s.

Rescuing the U.S. economy will require a commitment, and undoubtedly sacrifices, that need to start now. And it will require leadership that pulls together the best talents from all sectors of the society — not just business, not just government, but from everywhere.

Bruce Katz, the director of Brookings’ Metropolitan Policy Program, discussed some of the steps that need to be taken to remake an economy that has been thrown completely out of whack by frantic, debt-driven consumption, speculative bubbles, exotic financial instruments, and so on.

A new, saner, more sustainable economy will have to be more export-oriented, powered by cleaner fuels, bolstered by innovation that comes from a renewed focus on research and development, and committed to delivering a better-educated, more highly skilled work force.

Mr. Katz believes this is doable, but by no means easy. The nation’s infrastructure, he said, will have to “shift from 20th-century models of transport and energy transmission to rapid bus, ubiquitous broadband, congestion pricing, smart grid, high-speed rail and intelligent transport.”

New ways of financing such transformative changes will have to be developed, linking public and private capital, preferably through the creation of a national infrastructure bank, among other things. The nation’s political leaders and the public at large will have to grasp the difference between wasteful spending and crucial investments in the future.

**It's time for serious people to step forward and help lead on these critically important issues.**

**Time is short.**

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