

Building Bridges to Jobs: Investing in Inner City Infrastructure

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In last night's State of the Union Address, President Barack Obama announced his support for additional infrastructure spending in an effort to spur job creation. This comes on the heels of the House of Representatives making highway and transportation investment a major theme of its recent jobs bill, with the Senate largely expected to do the same. This spending offers a tremendous potential return on investment in terms of job creation, particularly in America's inner cities.

As the U.S. considers additional infrastructure investment opportunities, two principles should be followed. First, investment should target geographies with a high concentration of heavily traveled roads and bridges in order to maximize the impact of projects. Second, infrastructure spending should be channeled towards those communities with a high percentage of deteriorating infrastructure because these areas are at the heart of broader job losses. An approach that is grounded in these principles will most effectively target infrastructure improvements, enhancing regional and national competitiveness while maximizing job creation. **Inner cities are the ideal location for additional infrastructure spending.**

Inner cities have incredibly high concentrations of infrastructure assets, including water ports, intermodal facilities and the country's largest airports. Per square mile, the average inner city has roughly 100 times as many of these assets as the rest of the U.S. This infrastructure is also the core of regional transportation and distribution systems. By investing in inner city infrastructure, the U.S. has a great opportunity to strengthen the competitiveness of both local and regional economies.

At the same time, infrastructure quality represents a significant national problem. One common measure of infrastructure quality, bridge deficiency, reveals that one in four bridges in the U.S. is deficient. This issue is even more pronounced in inner cities. On average, more than 40% of inner city bridges are deficient, a staggering 60% higher than the national average. This bridge quality gap has cost inner city economies between 2% and 3% of their total job base, affecting key industries such as transportation, logistics and professional services. Infrastructure investment in America's inner cities offers the best opportunity to restore these lost jobs and create new jobs, both locally and regionally.

Key Takeaways:

- Spending on inner city infrastructure will result in a higher return on investment because inner cities have a high density of transportation assets.
- Poor infrastructure quality costs inner cities up to 3% of their job base, approximately a quarter of a million jobs, with most of the losses in key industries such as transportation, logistics and professional services.
- Focusing on inner city infrastructure yields job and wage growth that extends to the entire region due to the concentration of regional transportation assets in inner cities.

For additional information, please refer to the [data appendix](#).