

## PM WORLD TODAY – VIEWPOINTS – DECEMBER 2008

### The Challenge Ahead

*By Bob Prieto,  
Senior VP, Fluor*

The challenge facing the United States today is very much about what is the future it desires as a nation and what is the level of economic competitiveness that future requires. We must set an expectation of the quality of life we wish for ourselves and our children that is affordable and sustainable within the context of the economic competitiveness we will achieve. This future must provide us, as a nation, with the ability to respond to new challenges, man-made and natural. It must be built upon the hopes and dreams of our children, who must have the knowledge and tools to improve the world within which we live. It must be a future which inspires us and has a strong foundation.

Today one of the elements of the foundation that our future as a leader requires, is in crisis. The nation's infrastructure is crumbling!

In order to meet the challenges the future will hold we must first challenge ourselves to redress this situation. We must set a broad and inspiring vision such as those set in 1929 in the first New York regional plan or in 1956 with the dawn of the Interstate era or in 1962 when then President Kennedy challenged the nation to put a man on the moon by the end of the decade.

We see that vision as putting in place a world class critical infrastructure system that provides a solid foundation for the nation's health, safety and well being by 2025.

To achieve this vision we must conceive new ideas and use new frameworks and approaches. We must act in a concerted way over a sustained period as a nation. We must keep a clear focus that failure to put in place the strong foundation represented by a world class set of integrated and efficient infrastructure systems will slowly sap our economic competitiveness and deny us the economic resources we as a nation require to be the leader we seek to be.

Today, our infrastructure is crumbling but that of our competitors around the world is being enhanced for competitive effect. The time to act is now.

**What must we do to achieve this vision of putting in place a world class critical infrastructure system that provides a solid foundation for the nation's health, safety and well being by 2025?**

Change must occur at all levels and in all elements of what comprises a world class infrastructure system. The dimensions of change include:

1. **Leadership** – at the national, state and local level. By the executive, legislative and judiciary. By the public and private sector. By business, academia and the citizenry. It is not someone else's duty to lead, but collectively it is all of us.
2. **Education** – as a nation we do not understand the severity of the crisis. The story has not been told. The imperative has not been made clear. The American public, its leaders and its children must understand that the need is not just about future "success" but very much about survival, for our way of life at the very least, and in the longer term about much more. Our future is not assured and our prospects will only grow more dire the longer we wait to address the problems facing us.
3. **Vision** – the nation's leaders must articulate this vision, support this vision and most importantly drive it home. It is not a vision about concrete and steel, rather it is a vision about the jobs we can have, the privileges we can enjoy, the quality of the life we can live and the quality of the environment in which we will eat, drink and breathe every day.
4. **Decisiveness** – decisions in the 21<sup>st</sup> century must recognize that the silos of the past are barriers to the infrastructure of the 21<sup>st</sup> century. More holistic approaches such as the regional approach first employed in the New York regional plan of 1929 or the national perspective embodied in the Pershing map that underpinned the Interstate System are required. Perhaps more than ever, however, we must recognize that inaction can carry an unacceptable penalty. We must put in place the governance frameworks that society of the 21<sup>st</sup> century needs.
5. **Innovation** – the future requires new solutions and bolder applications of the technologies we currently have. We must invest in being a leader in how we plan, deliver and finance the strong foundations we wish the nation's infrastructure of 2025 to be.
6. **Stewardship** – we must be honest with ourselves on the cost of deploying and sustaining a world leading infrastructure upon which the nation's success can be built. We must recognize the impacts of our choices and make choices which promote improvements to the efficiency and effectiveness of our quality of life and the environment we all share.

### **The Challenge is Great**

The challenge ahead is great, but we are a great people. The effort will be hard and the journey long, certainly longer than the two, four and six year election cycles which have governed many of our more recent decisions on meeting this growing infrastructure challenge. The cost will be great, certainly more than the tens of billions some have suggested. But failure is not an option. We must succeed for ourselves and for our children. We must succeed so the ideals we believe in have resonance in the future. We must succeed so that we may remain that shining beacon of hope that lady Liberty embodies in New York harbor.

We have the most fundamental tool required for success, the strength and determination of the American people when they rally behind a great goal. This is the opportunity for us to control our own destiny much as those who founded this great country choose even greater sacrifices to control their own.

**A Question for Each of You**

***How should we change our planning, budgeting and accounting practices to ensure that we fully and realistically price risk (time, \$) upfront and reflect and provide for full life cycle costs?***

**About the Author:*****Robert Prieto****Author*

**Robert (Bob) Prieto** is a Senior Vice President for Fluor Corporation, one of America's largest engineering, construction and project management firms where he is responsible for strategy in support of the firm's Industrial & Infrastructure Group and its key clients. He focuses on the development and delivery of large, complex projects worldwide. Prior to joining Fluor, Bob served as chairman of Parsons Brinckerhoff Inc. He is a member of the executive committee of the National Center for Asia-Pacific Economic Cooperation, a member of the board of directors of the Business Council on International Understanding, a member of the board of the Civil Engineering Forum for Innovation, and co-founder and member of the board of the Disaster Resource Network. He currently serves on the National Research Council's committee framing the challenges on Critical Infrastructure Systems. Until 2006 he served as one of three U.S. presidential appointees to the Asia Pacific Economic Cooperation (APEC) Business Advisory Council (ABAC) and served as chairman of the Engineering and Construction Governors of The World Economic Forum and co-chair of the infrastructure task force formed after September 11<sup>th</sup> by the New York City Chamber of Commerce. He is also a member of the board of trustees of Polytechnic University of New York.