

Back in 2000 Bloomington lost 1400 jobs from GE.

Those jobs manufacturing side-by-side refrigerators went to Mexico, to a plant in Tarrimoro – where workers make an average wage of \$8 per day,

\$8/day – How do you compete with \$8 a day??

Now the workers in Tarrimoro are worried, because GE is starting to manufacture household appliances in China, where the pay is even lower.

Back in 1995, shortly before Thomson Consumer Electronics eliminated the last of its jobs in Bloomington, Mexican Thomson workers in Ciudad Juarez were earning gross pay of some \$19 a week, and taking home less in net pay after deductions – while fighting for their labor rights to be recognized.

The interstate highway system will bring those refrigerators and TVs back to Bloomington – to sell.

But the interstate highway system will not bring those manufacturing jobs back to Bloomington.

To claim that it will is to promote a false hope.

But these are desperate times.

Well paying manufacturing jobs in Indiana, like other places around the United States – have been hit hard because of increased low-wage competition in the global economy.

And desperate times call for desperate illusions.

Bloomington, Indiana is not unique in its loss of manufacturing jobs – we are not alone – we are experiencing what communities all across the country have experienced – communities with interstates.

And we already have SR 37 – a four lane highway that gives us convenient access to Indianapolis – the interstate crossroads of America.

We don't need to spend \$2 billion dollars, or more, on a 1950s-60s economic development model – it won't work.

This is the 21st century.

The world is different now – and throwing billions of tax dollars at interstates won't bring back our manufacturing base, any more than throwing billions at Iraq will bring peace.

Let's remember that groups like the Chamber promoted NAFTA ten years ago – said it would increase jobs

– instead we got massive trade deficits with Canada and Mexico, we lost millions of high quality manufacturing jobs (1 in 6 in that sector), average real wages in other sectors have been stagnant, and income inequality has increased.

We should have known better – but the country got caught up in the ideology rather than the reality – because certain business interests wanted to believe in it – and no one could save business from itself. Now these same voices are telling us I-69 is the magic bullet to create jobs.

It is old school economic development thinking – and it is a failure of local economic development leadership.

But Bloomington is unique – in the sense that we do have a quality of life here that combines natural rural surroundings, attractive cultural amenities, and a world class university.

Those attributes make up our comparative advantage – that is why people want to be live here, work here, go to school here, and invest in businesses here and create jobs – we have to start by recognizing those strengths.

An interstate highway bisecting our community – not only doesn't add to those advantages – it undermines them.

Our economic development strategy for the 21st century should build on our existing strengths – not throw billions of dollars at destroying them. And where is the money going to come from?

We do need transportation funding – for SR 37 – to maintain it as an adequate 4-lane transportation corridor to Indianapolis
– we need good transportation planning on 37 to avoid more road cuts, stop lights, and to build intersection improvements
– The State of Indiana needs money to repair and maintain our existing transportation infrastructure
– Bloomington needs money to enhance our alternative transportation network.

I-69 will take the funding that we need to meet those important priorities – and redirect it – for what can only be described – no matter how you look at – no matter who is honestly looking at it – at best – as a marginal return – it is just not good public policy.

It will not bring back those manufacturing jobs.

But desperate times, call for desperate illusions.

The reality is that I-69 will detract from what makes Bloomington a unique and attractive place – and will hurt us.

It is no wonder that I-69 has become such a polarizing issue.

There has rarely been an opportunity for an impartial analysis of the facts.

The State's position has not been based on careful review of the costs and benefits, it has been one of advocacy, ignoring data that conflicts with the desired outcome, and in the course of that advocacy, they have also undermined the faith of citizens in the process.

Their data is not subject to real scrutiny – the local press is uncritical and goes along with the momentum of a bad idea – Meanwhile, people like Prof. Neal Johnson formerly at SPEA – School of Public and Environmental Affairs, a PhD in economics who taught cost-benefit analysis – have studied the costs and benefits and reached the wildly different conclusions than the official conclusions of INDOT: He says the costs of the new highway exceed the benefits by millions. That for every dollar spent there is only 81 cents in benefits. That building I-69 would result in a significant economic loss to the nation.

That information was the result of an impartial analysis that as the report says, was “Motivated by a concern that the benefits and costs of this major project be correctly and honestly calculated and presented to the public. The author has not been paid by either proponents or opponents of the highway, or by anyone else, for the preparation of this report.”

Other specialists in economic development such as Wim Wiewel, Joseph Persky and Mark Edward Sendzik of the University of Illinois at Chicago, reviewed the economic development prospects of I-69, They found that the cost of each new job that the proposed highway would create in the four rural target counties – of Gibson, Pike, Daviess, and Greene county – is \$1.56 million per job..

That other rural economic development tools such as rural enterprise zones, business incubators, public works projects, could create jobs in those counties at an average cost per job of only \$1,000 to \$5,000.

That the cost per job for I-69 is 50 times higher than the cost of those other rural economic development programs – and the highway is not a cost-efficient economic development strategy for those four rural target counties.

They don't take a position on I-69, or any specific set of alternatives, but they do say that if the purpose of I-69 is economic development of those four rural counties, as INDOT has stated, then far more cost effective alternatives almost certainly exist.

The official process has not been a real debate, and it was not a decision based on careful analysis of the facts.

It was a political decision, divorced from reality.

The Bloomington Economic Development Corporation strategic plan recognizes 5 key areas where we already have a critical mass, that are ripe for future growth – Health care sector (Bloomington Hospital and other health care services), Tourism and Recreation (We have music, arts, beautiful natural surroundings), Advanced manufacturing (new investment in biotechnology), information technology (laying fiber optic conduit), education (IU/Ivy Tech).

These are areas that require a highly skilled workforce for future growth, and as they develop and grow, they will also provide jobs for less skilled workers as well.

The key to attracting and keeping a highly skilled workforce – is to offer an attractive place to live – with all of the amenities that go along with that.

That is how you attract the best and the brightest.

Bloomington – while there is still room for improvement – is positioned to do that

**– we can either build on what we have that is unique and attractive
– or we can be a stop on the interstate that is just like everywhere else.
SR 37 is enough to support the commercial needs of our community.**

We need to protect, promote, and invest in our quality of life.

That is why we have to stand up and say this – this is city business, this is extremely important city business – that will affect this community more than anything else for decades.

The discussion on I-69 is not over –

Not everyone will agree with this resolution – but it is certainly legitimate city business.

When we ran for office, candidates were all asked about I-69, several times.

I was straightforward in my opposition to it

– I told the voters I was against it.

- I will work with everyone in this community to make it the best community we can - regardless of how someone feels about I-69.

But I will not be told to keep quiet – or that my view should not be expressed.

We have not done a resolution before – we have not used the official legislative tool of a resolution, signed by the Mayor, to put the city on record.

– this needed to be done – and now is the time to do it.