



Can Infrastructure Investment Provide A Path For Economic Recovery In The US After The COVID 19 Pandemic?

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The United States is as of now the hardest-hit country on earth from the global coronavirus pandemic. At the time of publishing this post, the US had nearly 2 million confirmed cases of the virus and over 110,000 deaths.

The pandemic has shuttered US health systems but more importantly, it has devastated the economy to historic levels.

Before the pandemic hit, America was enjoying sustained economic growth. The country was also adding jobs at unprecedented levels, recording the lowest unemployment in history. But all these gains have been reversed by the crisis. Over 44 million Americans have already filed for

unemployment as a result. The United State's unemployment rate is also the highest it has ever been since the depression.

Some economic experts argue that it is likely that job numbers will recover rather quickly as states start to reopen their economies. But there is also a risk that some jobs will not come back in the near term. Others may even never come back. Either way, the economic disruption of this virus will take its toll on the US

◀ economy, and this will happen even if states start to reopen.

The White House is already working on several stimulus programs designed to jumpstart the economy in the coming months. But one path that looks very obvious is investing in US infrastructure. There are several reasons why this makes sense and here are some of them:

The US Needs New Infrastructure

It is common knowledge that the US infrastructure is dilapidated. Investment in infrastructure at the state and federal levels has lagged in recent decades. This means that bridges, highways, ports, power systems, and others need urgent upgrades if the United States will continue to compete with other economic rivals.

Massive Employment

The kind of infrastructure upgrade the US needs is no joke. Early estimates show that the country needs to spend at least \$2 trillion to bring its national infrastructure up to standard. These investments can provide important economic

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stimulus and generate hundreds of thousands of jobs directly and indirectly.

Bi-Partisan Support

If there is anything we've learned about US politics in recent years it's the fact that Congress doesn't always seem to agree on anything. Even though the country is visibly divided right now, one thing both parties agree on is that infrastructure spending is needed as a matter of urgency.

There are of course a few disagreements on how to pay for these upgrades. But we have seen enough bi-partisan goodwill to conclude that Congress wants to get infrastructure done. This means that unlike many other government

projects, infrastructure investment will have far fewer congressional hurdles.

Possible Challenges

Despite these clear opportunities above, there are also some possible challenges that we need to be aware of. First, this is an election year and you can bet both parties are now more focused on the fall campaign than anything else. Passing any meaningful infrastructure spending legislation right now may be harder than it seems. Some states, especially those hard-hit by COVID 19, are also running low on money. They may not be in a position to prioritize infrastructure spending right now in the aftermath of the pandemic.

Learn More about Infrastructure Investing

There is always a lot of upside in investing private capital into infrastructure projects. In case you'd like to learn how to do this. You can check the [Brookfield Infrastructure Income Fund](#) for more info. Be sure to also check out their portfolio and see if this is an area you'd liked to invest in.