

Dana Levenson on Privatization

Levenson, the Royal Bank of Scotland banker and former Chicago's chief financial officer, is an unabashed cheerleader for turning over public infrastructure to private interests. In a 2007 interview with *Governing* magazine, said he believed that states and cities have an obligation to consider selling their assets.

“Absolutely,” he said. “With as much money as is amassing in these funds, I can’t imagine anything less intelligent than dismissing it out of hand. . . . It comes down to a matter of how willing should states and municipalities be to unlocking the value that happens to exist in their portfolios—even though they may not have looked at their entities as portfolios in the past.”

“We’re shifting the financial risk to a private operator, while at the same time never losing use of the asset,” he said. “It’s not like the Spanish and the Australians will pick up the road and go away with it.”

RBS has estimated that some \$175 billion has been raised for purchases of government infrastructure assets, and that, with leverage, that provides some \$700 billion of “investment” capacity.