

Remember me

[Learn More](#) | [Forgot your password?](#) | [Questions? Call us at 800-207-8001](#)



Monday, January 30, 2012

National Journal

- [HOME](#)
- [WHITE HOUSE](#)
- [POLITICS](#)
- [CONGRESS](#)
- [DOMESTIC POLICY](#)
- [NATIONAL SECURITY](#)
- [TECH](#)
- [COLUMNS ▾](#)
- [BLOGS ▾](#)
- [POLLS ▾](#)
- [EVENTS](#)

- Print
- E-mail
- RSS
- twitter

MONDAY, JANUARY 30, 2012

Good Spending and Bad Spending

By **Fawn Johnson**

Correspondent, National Journal

Republicans' singular focus on curbing government spending has transformed the discussion on transportation over the last year. Earmarks, which once drove the entire surface transportation authorization process, are now a thing of the past. Only recently have congressional leaders agreed that cutting infrastructure spending, as originally proposed in the House, is a bad idea. There were even some questions last fall about whether an extension of the federal gas tax was appropriate under the House's conservative fiscal guidelines. (Both Republicans and Democrats determined that the current 18.4 cent-per-gallon tax is OK, but raising it is a no-no.)

President Obama asked for \$200 billion from war savings to be directed toward highways and bridges in his State of the Union address. The proposal is a response to House Republicans' idea to pay for a six-year highway bill with new domestic drilling, according to a senior administration official. Both the White House and Republican proposals are political stunts, [as I wrote last week](#), and they are not likely to advance the broader conversation about government infrastructure investment.

Meanwhile, the business community is at its wits end trying to break through the phobia on spending. American Road and Transportation Builders Association President Pete Ruane said Congress needs to get out of the habit of labeling all spending in the same way: Some investments are better than others, and infrastructure has a lot of virtues. HNTB Corp. has heard enough questions from its own executives that it invited former [House Transportation Committee](#) Chairman Jim Oberstar, D-Minn., and Washington Post columnist George Will to speak to them about it. (I was given an [exclusive interview](#) with the two men to discuss the same issue.)

Is there such a thing as good spending and bad spending? If so, where does infrastructure fit in on that scale? Did Obama make it clear that he sees infrastructure as "good" spending in his State of the Union speech? Or did he miss an opportunity? Is there any way in the current political atmosphere to actually increase spending for infrastructure?

SHARE Like Confirm

[Leave a response](#)

3 Responses

[Expand all comments](#)

JANUARY 30, 2012 12:37 PM



It's Time to Get Serious

By **Robert L. Darbelnet**

President and CEO, AAA

I think there is widespread agreement that transportation spending is a wise

ADVERTISEMENT

CONGRESSIONAL CONNECTION POLL

Connecting Washington with what American's think is important. **LATEST RESULTS**

ADVERTISEMENT

1,300 SUPPLIERS IN 47 STATES

STAY CONNECTED

Do you agree?
Submit


investment that pays dividends now and into the future. Certainly, there are examples of both bad and good transportation spending over the years. The public reaction to high-visibility projects like the now-infamous “Bridge to Nowhere,” readily illustrates the “bad”, whereas the I-35W bridge replacement in Minneapolis was viewed as necessary and good. The public is most upset when they feel policymakers don’t have a strategic investment plan that clearly

outlines where revenues will go and the expected benefits. And when neglecting our infrastructure leads to decay and more expensive repairs, the taxpayer is justified in questioning the competence of those who lead.

In January 1983, President Ronald Reagan doubled federal gasoline taxes. During the legislative debate of the previous year, he said it would take a “palace coup” to gain his support for increasing the gas tax. But as negotiations got serious, what were once horrible funding options took o...

[Read More](#)

Link to this response: <http://transportation.nationaljournal.com/2012/01/good-spending> [Print](#) | [Share](#) | [E-mail](#)

 [Subscribe to this blog](#)
 [Subscribe to comments for this post](#)
[What is RSS?](#)

ARCHIVES

January 2012
 Good Spending and Bad Spending
 Fighting Over Labor
 High-Speed Rail in a Coma
 The Health Impacts of Transportation
 Public Policy by Extension
 December 2011
 November 2011
 October 2011
 September 2011
 August 2011
 July 2011
 June 2011
 May 2011
 April 2011
 March 2011
 February 2011
 January 2011
 December 2010
 November 2010
 October 2010
 September 2010
 August 2010
 July 2010
 June 2010
 May 2010
 April 2010
 March 2010
 February 2010
 January 2010
 December 2009
 November 2009
 October 2009
 September 2009
 August 2009
 July 2009
 June 2009
 May 2009
 April 2009
 March 2009
 February 2009
 January 2009
 December 2008

JANUARY 30, 2012 9:55 AM



Ability of ITS to Enhance & Optimize

By **David Pickeral**

Global Development Executive for ITS Solutions, IBM Corporation

1

agree
Submit

I would note at the outset that this topic was heavily discussed here in Washington during the past week at the 91st Annual Transportation Research Board (TRB) conference. Given the current state of our transportation infrastructure, it is beyond question that substantial investment - whether private or public - is required to ensure that our transportation infrastructure is in a state of good repair so as to support sustainable economic growth and ensure the safety of the traveling public. This entails, I would respectfully

suggest, not so much a matter of "good" or "bad" spending, so much as a need to maximize the impact of any spending and commensurably the ROI on public or private monies. Traditional metrics have often equated this to lane miles of highways, runways or gates at airports, or new light rail or BRT lines in and out of urban centers. Certainly these projects will always be essential. However, in making decisions going forward it will also be necessary to account for the ability of intelligent transportation systems (ITS) to enhance trans...

[Read More](#)

Link to this response: <http://transportation.nationaljournal.com/2012/01/good-spending> [Print](#) | [Share](#) | [E-mail](#)

VIDEO

JANUARY 30, 2012 9:10 AM



There are “good” infrastructure projects

By **Gabriel Roth**

Research Fellow, The Independent Institute

Of course there is “good” and “bad” spending. Many of us consider spending “good” when the benefits from the expenditures exceed the costs.

Do you agree?
Submit

So, yes, there can be “good” and “bad” spending on infrastructure, but the federal government seems to have problems identifying the “good”. It was, for example, pushing for a national “High-Speed Rail” network, while its Federal Railroad Administration was unable to provide even one cost-benefit

analysis to show that the benefits from such a system would exceed the costs. This suggests that the financing of transportation infrastructure is too important to be left to politicians.

In our market economy, we try to ensure that benefits from investments exceed their costs

by getting customers — not the government — to pay the costs, as in the cases of necessities such as food, water, telecommunications, and even self-financing toll bridges and roads.

Many of our urban areas suffer from excessive traffic congestion. Express toll lanes, financed by private investors, and paid for by means of electronic (e.g. E-ZPass) tolling, are likely to be “good” infrastructure projects meriting urgent priority.

Link to this response: <http://transportation.nationaljournal.com/2012/01/good-spending> [Print](#) | [Share](#) | [E-mail](#)

Leave a response

Invited participants may [sign in to leave a response](#).

For questions or ideas, contact transportation@nationaljournal.com.

**Seniors deserve better
Protect Medicare.**

**Repeal the SG
formula now.**

[CLICK HERE](#)
**Seniors deserve better
Protect Medicare.**

BLOGROLL

[Airport Check-In](#)
[AOPA Now](#)
[The Avenue](#)
[DC Streets Blog](#)
[Evan Sparks' Aviation Policy Blog](#)
[Fast Lane](#)
[Freight Public Policy & Sustainability Blog](#)
[Infra Insight](#)
[The Infrastructurist](#)
[MTS Matters](#)
[New American City](#)
[NewGeography](#)
[NRDC's Switchboard, Deron Lovaas](#)
[NRDC's Switchboard, Colin Peppard](#)
[Oh the Places You'll Go](#)
[Planetizen](#)
[RTC Blog](#)
[StreetSense](#)
[Swelblog](#)
[Tolling Points](#)
[Transportation Equity Network blog](#)
[The TransportPolitic](#)
[Trucking Matters](#)
[Washington State DOT's Federal Transportation Issues blog](#)
[Young Professionals in Transportation Blog](#)

LATEST ON BLOGS

HEALTHCARE

[Can Democrats Turn the Health Debate to Their Advantage?](#)

April 28, 2011

EDUCATION

[Dispiriting Numbers on Education, Civil Rights](#)

July 5, 2011

ECONOMY

[Transforming the Highway Trust Fund](#)

February 22, 2011

ENERGY

[Extreme Weather and Climate Change: What's the Link?](#)

July 5, 2011

TRANSPORTATION

[The Environmental Case for Transportation Investment](#)

July 5, 2011

SECURITY

[Will President Obama's Afghanistan Strategy Prove Effective?](#)

June 27, 2011

HOTLINEONCALL

[Only 18,000 Jobs Added in June, Less Than One Fifth of Analyst Estimates](#)

July 8, 2011

TECHDAILYDOSE

[Rain Still Threatening Shuttle Launch](#)

July 8, 2011