

Invest in U.S. transportation system

By CRAIG THOMPSON

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Listening to the words of our nation's highest elected leaders, you would think that we are on the cusp of a major commitment to fix our crumbling transportation infrastructure. The reality, however, is something quite different.

President Barack Obama recently addressed Congress on his \$447 billion job-creation plan, saying that building a world-class transportation system is part of what made the United States an economic superpower. He called it an "outrage" that there are "badly decaying roads and bridges all over the country." And while he did include \$50 billion for transportation projects in this bill - a bill that is not likely to pass - he is the first president in the past 50 years to not submit the full text of a surface reauthorization plan to Congress. The surface reauthorization is the vehicle that actually funds federal transportation priorities, usually in six-year increments.

The House Transportation and Infrastructure Committee, chaired by Florida Republican John Mica, included the following statement before submitting its proposal for a six-year reauthorization:

"Throughout our nation's history, economic growth, prosperity and opportunity have followed investments in the nation's infrastructure. From the internal improvements of the early 1800s - canals, locks and roads - to the Interstate Highway System of today, infrastructure investment has been our foundation for economic growth. For example, between 1980 and 1991, almost one-fifth of the increase in productivity in the U.S. economy was attributable to investment in highways."

So what does this committee propose? It proposes reducing investment in surface transportation by more than one-third over the next six years.

The reason for the seemingly parallel universes in which these people operate is that they face a bit of a conundrum. The condition of our transportation system is deteriorating. According to the World Economic Forum's Global Competitiveness Report 2010-2011, the U.S. now ranks 23rd in the overall quality of its infrastructure. The ongoing revenue, however, is only enough to sustain about 65% of our current level of spending on transportation.

Why? The technical answer: The federal gas tax, which currently funds transportation, is a fixed amount, which hasn't changed in 18 years. This is different than sales and income taxes, which are percentage-based and grow with the economy. In 1993, when gas was around \$1 a gallon, we all paid 18.4 cents a gallon in federal gas tax. Today, when gas is over \$3 a gallon, we all pay 18.4 cents a gallon in federal gas tax. In addition, the cars we drive get much better gas mileage and are certain to become even more fuel efficient.

The real answer: For some time now, elected officials have lacked the political will to face the American public, lay out the problem and tell us how to fix it.

Modernizing our transportation system to safely and efficiently move raw materials to businesses, finished products to market and workers to jobs is essential for our economy to expand. As the U.S. Chamber of Commerce slogan declares: If we can't move it, we can't make it.

There are a lot of smart people who are developing all kinds of innovative tools that can revolutionize our transportation network. We need our elected officials to level with us about our situation, harness this creativity and provide the leadership and vision to set forth a sustainable plan for our transportation network.

Absent this type of leadership, our underperforming transportation system will continue to deteriorate and will act as a cap on any future economic growth.

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