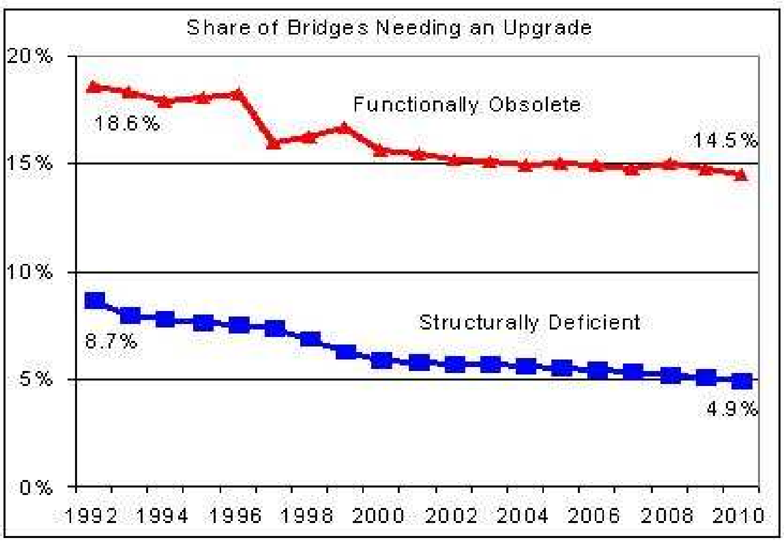
Is Our Bridges Crumbling? Maybe, But Definitely Less Than They Used to Be.

Nick Gillespie | November 18, 2011



Over at National Review's The Corner, Reason columnist and Mercatus Center economist Veronique de Rugy discusses her recent experience testifying before the Joint Economic Committee on infrastructure spending.

She includes this chart that was used by one of her co-testifiers, Chris Edwards of the Cato Institute. Edwards notes that for all the talk of bridges falling down, that particular bit of infrastructure is in better shape than it has been in a long, long time.

De Rugy's own testimony focused on whether infrastructure spending can be stimulative. The short answer, like the long answer, is no. According to the master's theory, Keynesian stimuli need to be targeted, timely, and temporary. None of those really applies to public-sector infrastructure spending, which is plagued by planning and construction delays and cost overruns, and uses a specialized work force that tends to get pulled off other projects. De Rugy concludes:

Economists have long recognized the value of infrastructure. Roads, bridges, airports, canals, and other projects are the conduits through which goods are exchanged. However, it doesn't mean that the federal government should be funding infrastructure projects. Rather, it should devolve this function to the states or,better yet, leave it to the private sector. Moreover, whatever its merits, because infrastructure spending does not provide much of a stimulus to an economy—especially if that economy needs long-term, sustainable jobs—it should not be used as a jobs program.

Read her testimony here.

Original NRO blog post here.