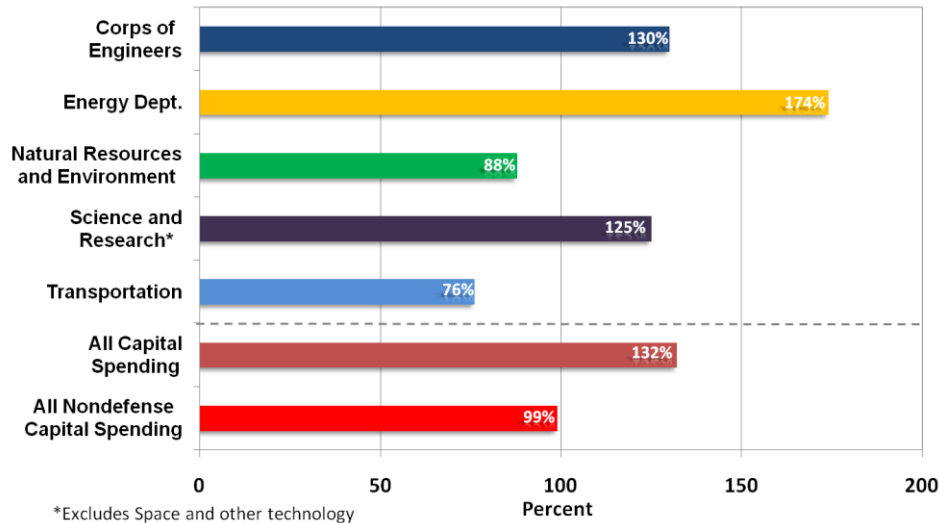


Infrastructure Spending Increase in the Last 10 Years

(Percentage increase in outlays over fiscal 2001-2011, in nominal dollars)



Source: *Wall Street Journal*, Office of Management and Budget
Produced by: Veronique de Rugy, Mercatus Center at George Mason University

The American Jobs Act, unveiled by President Obama during his speech last week, calls for over \$50 billion to be spent on infrastructure. To combat the current recession, the U.S. government has already undertaken a number of large discretionary stimulus measures. These include the American Recovery and Reinvestment Act (ARRA) of 2009 (which included over \$130 billion for infrastructure), and \$20 billion in more infrastructure spending in the Hiring Incentives to Restore Employment Act of March 2010. However, despite a decade of massive spending increases, we are still left with unsatisfactory road, air, and transit systems and traffic delays and congestion. There is no reason to believe that more spending will improve America's infrastructure debacle.

In this week's chart, Mercatus Center Research Fellow Veronique de Rugy tracks the overwhelming percentage increase in infrastructure spending over the past ten years – using data from a recent *Wall Street Journal* article that uses data from the Office of Management and Budget. The spending categories in this chart show areas in which the Jobs Act seeks to spend more. Each of these categories has significantly increased in the past decade and has shown little return.

Even during Obama's televised speech, the White House displayed the following statistics: "More than 2,700 miles of our roads are in need of repair," "the American commute has never been longer, topping 100 hours a year," and "in 2010, total U.S. airline delays topped 19,000,000 minutes." All of the while transportation spending increased 76%, and spending on Science and Research (125%) and the Department of Energy (175%) grew rapidly in the past decade.

No one disputes that American public works need improving, and economists have long recognized the value of infrastructure. Roads, bridges, airports, and canals are the conduits through which goods are exchanged. However, infrastructure spending is unlikely to provide much of a stimulus — and it certainly won't provide the kind of boost the president has promised in the American Jobs Act.

Veronique de Rugy blogs [Why Infrastructure Spending is a Bad Bet](#) at NRO.

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