Short road to the junk heap

America's highways aren't being maintained—the Eisenhower system has broken down.

In the 1950s, the housing stock of major U.S. cities was allowed to collapse as part of a deliberate policy of urban depopulation, creating the basis for massive real-estate boondoggles in the 1970s.

America's highway system is now similarly designated for the junk heap. The state of repair of our highway system is a national disgrace. It is estimated that whole areas, already abandoned by the railroads, will become "critical service" areas by the end of this decade if the state of highway disrepair is not soon remedied. The only good highway systems left in America (or ones designated to be repaired) are the ones leading to areas targeted for low-wage synfuels development, such as in Colorado, Wyoming, and Montana.

Efforts to restore health to the highway system have been consciously sabotaged, again and again, by the federal government, which has successfully played the Highway Department off against the mass transit lobby. Both are forced to compete for the same scarce federal monies.

The scope of the mobilization needed has a precedent in the Eisenhower administration. By 1952, the nation had radically outgrown the relatively good but limited highway system on which efficient transport depended. The surge of growth of exports, and the sheer mass of goods needed to meet internal demand, placed impossible strains on the transportation network, especially the highways.

As a result, in 1956 President Eisenhower undertook a commitment to make America's highway system the "best in the world." Over a 20-year period, 40,000 miles of high speed roadways including the now famous interstate highway system were built, providing efficient links to nearly every urban center in the country.

Eisenhower's program was financed by state and federal highway taxes and the creation of a special highway trust fund.

Since 1970, however, these mechanisms have been allowed to fall into a state of severe neglect. The Highway Trust Fund is operating at barely two-thirds of previous levels of funding in constant dollar terms, experiencing a 27 percent drop since 1967.

Revenue from what was once the fund's staple source, the 4 cent federal excise tax on gasoline, has fallen to effectively one-half of its level in 1967. With gasoline prices tripling since 1973, and with more fuel efficient cars, highway traffic has stagnated and gasoline consumption has dropped—cutting deeply into the fund's revenue.

It is no exaggeration to say that if capital investment funds are not forthcoming at several times current levels, roadways across the country will soon resemble those in New York City, famous for their cavernous potholes and near flooding during even a drizzle. The U.S. highway system is not only aging—it is decaying at an accelerating rate.

Although road quality in the primary system has generally remained stable, in just three years, from 1975-1978, the amount of interstate roadway classified as poor more than doubled. The real dilemma is that there is little prospect for capital allocations to be increased anywhere near required levels.

Inflation is one major factor.

The decline is actually far greater than indicated here, because inflation for highway construction has been nearly twice as great as inflation for finished goods generally. Some circles, the National Right to Work movement, and independent, nonunion contractors blame this on labor. But the facts tell differently.

In 1978 and 1979, for example, the bid price index for highway construction rose by a compounded 42 percent, versus a finished goods inflation rate of less than 20 percent. The difference is due primarily to the heavy use of petroleum-related products in highway construction.

At current costs, funding allocated for highway maintenance and repair would pay for only about 750 miles of road restoration at best, and that assumes that states would provide 25 percent in matching funds. With about 10 percent, or 4,000 miles, of all Interstate highway and bridge surfaces in immediate need of repair, that would fund less than 20 percent of what is currently necessary, let alone depreciation. Moreover, highway maintenance in no way substitutes for major capital repair.