## **Procurement and Infrastructure Costs**

Leah Brooks • George Washington University • July 2024

Fundamental Conundrum: US Infrastructure Hideously Expensive For the same spending on subways we get

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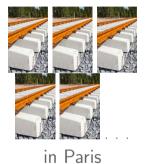


#### in Manhattan

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Why?

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in Manhattan



## Why? And what policy changes can lower costs?

Thanks to Marron's Transit Cost project and CityLab

This paper asks

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  - survey DOTs and contractors

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A lot to like: serious consideration of institutions, both in measurement and analysis

#### Three Questions in Response

- 1. What can we learn from cross-state variation in re-paving?
- 2. How do we implement—or, where is the scope for change?
- 3. What is capacity, and what is "enough"?

## 1. Relying on Cross-State Variation in Repaving

#### Benefits

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#### Can't Learn

- whether bidding format matters
- whether legal regime matters
- repaving a high cost activity

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- extent of variation within strict rules
- relationship between spending and road quality
- quality of implementation: ability to execute within fixed rules

Help us with a framework

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- is quality implementation hard to find?
- are quality implementors hard to identify?
- are good managers hard to find?
- is political attention required and limited?
- goals other than cost and quality?
- can't implement well without competition?

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  - in monitoring progress?
  - in renegotiating with contractors?

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Where is the scope for change? Build on management and politics work on implementation

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- Consider
  - employees per roughness
  - FTEs per consultant

## Thank you for re-paving the way to efficiency!