

The debate over infrastructure spending will heat up in the coming year as the new Administration figures out how it will navigate Congress to get spending bills passed. If the GOP holds on to at least one of the Georgia Senate seats, there will need to be more compromise than team Biden or the Progressives in Congress want. Just because it is widely believed that more spending on infrastructure is needed (considering a recent study showed 93% of roads in the District of Columbia are in disrepair), does not mean it is going to be easy to determine how to spend infrastructure dollars. Should dollars be allocated to traditional projects like roads, bridges, or water treatment plants, or should the focus be on technology infrastructure like 5G in order to remain competitive?

- Spending bills have typically been pork-laden, with dollars allocated on the basis of political power more than actual need. Remember the ‘bridge to nowhere’? Only the most optimistic believe this year will be any different.
- There will be a lot of discussion of allocating money to the states, many of which have seen their budgets decimated by the COVID-19 lockdowns. Will allocated funds go to actual projects or to fund government employee pensions?
- Picking the winners who benefit from the spending is difficult. There will be significant pressure for “Green” initiatives to be included when funds are allocated.

