For crying out loud, raise the gas tax

By Steve Thorngate

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Conservative economist Greg Mankiw has pushed the idea before: raise the gas tax, and offset this by reducing payroll taxes. So has conservative columnist Charles Krauthammer, many times. He did it again last month.

I see a higher gas tax as one policy among many needed to reduce fossil fuel consumption and fund infrastructure investment; there's little evidence that Krauthammer is interested in many of the others. And I'd rather take the opportunity to make payroll taxes a bit less regressive—by aiming cuts specifically at lowincome earners—than simply reduce them across the board.

Still, with gas prices way down, there's no question that doing exactly what Mankiw and Krauthammer say would be much better than simply not doing it. People would drive less and/or the Highway Trust Fund would have more to spend on crumbling infrastructure, and people's larger paychecks could absorb the increase at the pump.

But Obama—liberal-ish president, climate change fighter, defender of the middle class—apparently doesn't like it.

That is, payroll taxes aside, the president is hesitant to raise the gas tax. "Gas prices are one of those things that really bug people," he said in December. Now he's looking to fund transportation projects—but not the obvious way, the way supported by lots of people across the political spectrum.

To be sure, conservative support for a gas tax increase is far from unanimous. The Koch brothers got involved last week, objecting to an increase generally and in particular to the fact that that the HTF spends money on not just roads but also bike paths and transit (the horror!). Michael Tomasky thinks this is probably why the White House won't call for raising the gas tax: because then you have a liberal president trying to liberally tax and spend with liberal glee, and the politics will basically solidify against getting anything done on infrastructure at all.

Maybe so. But if divided-government Washington can't make some kind of deal on a gas tax increase now—with gas prices low and support from various conservative quarters high—it's hard to imagine what it can do anymore. (Besides blow stuff up in other countries, of course.) A clean bill to double the gas tax is obviously a political nonstarter. But they need to figure something out—before gas prices go up again for reasons Washington couldn't control even if it wasn't completely dysfunctional.