

Last month, anti-automobile activists led by the Congress for the New Urbanism announced the formation of a national Freeway Fighters Network. The network opposes new freeways and freeway expansions and wants to shift freeway money to other forms of transportation. Among other things, they object to new freeway capacity because it induces more highway travel.

I have a message for these anti-auto activists: The war on the automobile is over. The automobile won. More accurately, auto drivers and users won. It is time for those engaged in this war to stop wasting their time, and everyone else's, and start doing something productive. People concerned about the impacts of the automobile should give up trying to reduce driving, which has never worked, and instead encourage new automobiles and highways that are safer, cleaner, and more energy efficient.

### The Lost Cause

The war on the automobile and freeways began in the 1960s. As noted in an <u>earlier policy brief</u>, auto opponents' hatred of cars may have been more justified then than it is today. Cars were gas guzzlers, getting just <u>13.5 miles per gallon</u>. From 1966 to 1973, traffic accidents killed <u>50,000 to 56,000 people</u> a year. Toxic air pollution darkened urban skies and created health problems for many people.

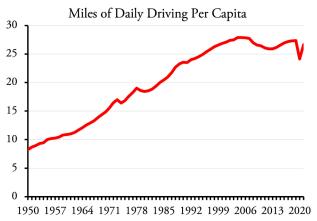
The federal government attacked these problems using two strategies. First, the Environmental Protection Agency, which was created in 1970, encouraged cities to declare war on driving. Instead of building more roads, the cities spent billions of dollars on urban transit. This allowed urban freeways to become congested in the hope that slower speeds would discourage people from driving. Nearly 100 cities also closed downtown areas to automobiles and even more reduced the capacities of many streets to move traffic.

The second strategy was based on making better automobiles. In 1967, the National Highway Traffic Safety Commission issued standards for ever-safer automobiles. In 1970, Congress directed the EPA to issue rules for ever-cleaner automobiles. In 1975, Congress directed the De-

partment of Transportation to issue rules requiring <u>ever-more-fuel-efficient autos</u>.

Five decades later, highway fatalities declined by 35 percent, toxic pollution from motor vehicles declined by nearly 90 percent, and cars today average more than 28 miles per gallon and even light trucks (SUVs, pickups, and full-sized vans) get better than 20. All these improvements happened solely because of the strategy of improving motor vehicles.

Meanwhile, the war on automobiles failed so miserably that total miles of driving tripled between 1969 and 2019. By increasing congestion, the anti-automobile strategy has wasted more fuel and generated more pollution than it stopped. Cities that closed downtown streets, unless they already had large numbers of pedestrians, found that the businesses in those downtowns died, and most reopened them again.



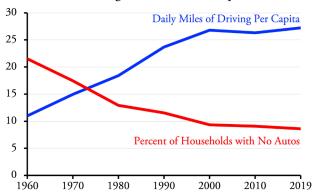
Per capita miles of driving have declined during recessions and, most recently, the pandemic, but in-between such events it appears that decades of anti-highway activism have had no effect on the amount of driving Americans do.

Anti-highway activitists and the decision by many cities to stop increasing road capacities had almost no effects on the growth of driving. In 1960, Americans drove cars, trucks, buses, and motorcycles an average of 11 miles per person. By 2019, this had grown by nearly 150 percent

to more than 27 miles per person. Congestion had grown tremendously in those years, but people responded by driving somewhere else.

Between 1960 and 2000, per capita driving grew because of the growth in the people and households that had cars. In 1960, 22.5 percent of households had no cars; by 2000 this had fallen to 9.4 percent. Between 2000 and 2019, the growth in per capita driving slowed because the market for cars was nearly saturated. By 2019, 8.6 percent of households had no cars, only a small decline from 2000. Yet per capita driving continued to grow, if slowly, showing that efforts to reduce driving by opposing new freeways have failed.

## Driving and Auto Ownership



Per capita driving has grown more slowly in recent years mainly because the decline in the share of households with no autos has also grown more slowly. The correlation between households with no cars and per capita driving is –.98, which is nearly perfect.

Spending more money on transit hasn't made any difference. Since 1990, the Denver urban area spent well over \$9 billion (in today's dollars) on rail transit, yet per capita driving grew from 17.9 miles per day in 1990 to 22.8 miles in 2019. Atlanta, Dallas, San Diego, Washington, and other urban areas also spent enormous amounts of money on transit improvements yet saw per capita driving grow.

Ending freeway construction doesn't help. Other than the Big Dig, which added an insignificant amount of capacity, Boston stopped building freeways in the 1970s. Yet dailt per capita driving grew from 18.5 miles in 1990 to 25.4 miles in 2019.

Some urban areas that stopped freeway construction and spent money on transit instead did see a slight decline in per capita driving. Driving in Portland declined from 19.1 miles per day in 1990 to 18.5 miles in 2019. Yet there is likely a self-selection issue here: Portland's anti-automobile mentality has attracted many people who don't want to drive while it may have pushed people who want to drive to locate in other areas.

# The Benefits of Induced Demand

The anti-freeway network's reliance on the old <u>induced-demand myth</u> demonstrates how warped their reasoning is,

as so-called induced demand—which would be more accurately titled *release of repressed demand*—should be considered a benefit, not a cost, of new highway construction. When someone builds any new infrastructure, they do so in the hope that such infrastructure will be used. There is not much point in spending large amounts of money on increasing the capacity of cell phone networks, railroads, airports, water and sewer systems, electrical generation facilities, or highways if no one needs or uses that increased capacity.

There are clearly places where new road capacity will not lead to more driving. For example, U.S. highway 50 in Nevada is sometimes called the "loneliest road in America" because it gets so little use. Turning it from a two-lane road to a four-lane road would not induce any more people to drive on it, mainly because there aren't very many people in that area in the first place. Building more road capacity here would be a waste.

In congested areas of many cities, new roads will lead to more driving. That's a good thing, because the increased driving represents people reaching new economic opportunities and businesses delivering more goods to people at lower costs.

Many of the projects the anti-freeway people would like to see money spent on, such as light-rail lines or more Amtrak service, will *not* result in much, if any, new travel. Ridership on many new light-rail lines, for example, has been offset by decreased ridership on bus lines. All the light rail does is give people who were already using transit a more expensive form of transit or, worse, provide rail transit to high-income people while cutting bus service to low-income people. Even most high-speed rail projects only promise to take people out of existing forms of travel (most of which cost less), not to generate new travel.

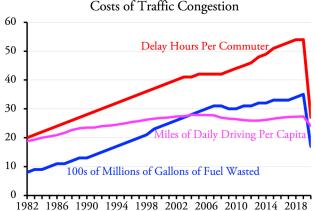
In short, new rail projects don't induce demand, meaning they generate no new economic activity; they merely cost taxpayers money. According to the anti-highway people, spending money on projects that transfer people from low-cost to high-cost forms of travel is supposed to be better than building new roads that generate new travel.

The induced-demand argument is that building roads won't relieve congestion because more people will drive on the new roads. But the anti-highway answer to congestion, which is to build no new roads and to let congestion get worse, is not a solution; it is an admission of failure.

According to the Texas Transportation Institute, the annual cost of congestion to auto commuters has grown from \$15 billion in 1982 to \$190 billion in 2019. This doesn't count the cost to truck drivers, which has similarly grown. This means the anti-highway groups have succeeded at something, though it is hardly something for them to be proud of. But increasing congestion hasn't prevented the growth in miles of driving.

Unlike money wasted building light-rail lines, which at least benefits contractors and construction workers,

congestion is a deadweight loss to society, benefitting no one except those who get schadenfreude from watching others stuck in traffic. The idea that not building roads is the solution to congestion misrepresents the nature and causes of roadway congestion.



Increases in congestion between 1982 and 2005 and between 2009 and 2019 failed to slow the growth in per capita driving. Per capita driving growth only slowed during the collapse of the 2006 housing bubble and the pandemic. Congestion data from Texas Transportation Institute's 2021 Urban Mobility Report.

Traffic congestion has two causes. First, roads are poorly priced. Fuel taxes and vehicle registration fees are supposed to be user fees. Paying for roads out of such fees, however, fails to link the use of specific roads with their cost. Second, roads are the only resource whose productivity declines when demand increases. A typical freeway lane can move up to 2,000 vehicles per hour in free-flowing traffic, but when traffic slows throughput can decline below 1,000 vehicles per hour.

A <u>mileage-based user fee</u> system could fix both problems. Ironically, many anti-freeway groups support mileage-based user fees because they hope to spend the revenues on transit and other projects, which in turn leads road users to oppose such fees despite the benefits they can provide because they don't want to see the fees they pay

Americans today are facing the worst inflation in the last forty years due to Congressional spending of trillions of dollars on programs and projects that don't increase productivity. The additional money in people's pockets combined with no additional things to spend it on makes everything more expensive. So it is particularly ironic that highway opponents demonize new highways precisely because they generate more productivity.

### The Benefits of Autos

As a <u>recent article</u> by a British journalist noted, "the war on cars is a war on ordinary people." Well over 90 percent of America households have at least one automobile and well over 95 percent of American workers live in households with at least one automobile. We drive for 85 percent of our travel and trucks carry 40 percent of ton-miles

carrying the goods we use or buy.

The anti-freeway fanatics harp about the costs of driving but rarely admit to the benefits. Those benefits increased mobility, lower costs, and greater equity.

As noted in a <u>previous policy brief</u>, Americans in 2019 traveled more than 16,000 miles per capita by automobile. This is more than the total amount of miles traveled by all modes by the people of any other country in the world. Even including air, rail, and bus travel, people in many western European countries travel less than half as many miles per capita each year.

Americans don't drive because they have a love affair with automobiles. Instead, they do so for totally rational reasons: cars are faster, more convenient, and less expensive than most of the alternatives. As the University of Minnesota Accessibility Observatory has shown, a typical resident of one the nation's 50 largest urban areas can reach almost twice as many jobs in a 20-minute auto trip as a 60-minute transit trip. Even in the New York urban area, the most transit-intensive region of the country, a typical resident can reach almost as many jobs in a 30-minute auto trip as a 60-minute transit trip.

The anti-freeway network's plans would reduce total mobility, which would have its harshest impacts on low-income people. While many middle-class workers can work in offices only part time on flexible schedules, most working-class employees have jobs with inflexible schedules, requiring them to drive in the most congested traffic.

Autos are also far more economical than urban transit. According to the <u>Bureau of Economic Analysis</u> (table 2.5.5), Americans spent \$1.2 trillion buying, operating, and insuring motor vehicles in 2019, and \$1.1 trillion in 2020. For that cost, they traveled <u>4.9 trillion passengermiles</u> in 2019 and <u>4.3 trillion</u> in 2020 (counting cars, light trucks, and motorcycles but not buses). That works out to an average of 26 cents per passenger-mile in both years. For comparison, transit fares averaged 29 cents a passenger-mile in 2019 and 30 cents in 2020.

Subsidies to driving are also relatively small. According to table HF-10 of *Highway Statistics*, subsidies to highways totaled to \$57.1 billion in 2019 and \$58.1 billion in 2020. These are calculated by subtracting diversions of highway user fees to other uses (shown in cells O16 and O17) from non-highway user fees spent on roads (shown in cell O32) and then adding \$10.16 billion, which Congress appropriated to supplement the user fees going into the Highway Trust Fund. (This five-year authorization of \$50.9 billion in 2016 is shown in cell Q39 of table FE-210.)

For these subsidies, highways carried 5.3 trillion passenger-miles in 2019 and 4.6 trillion in 2020 (including buses). Highways also carried more than 2 trillion ton-miles of freight each year. Shippers spent slightly more than 20 cents per ton-mile, which means each ton-mile is worth about 80 percent of each passenger-mile. This means highway subsidies average less than a penny per

passenger-mile, or less than 4 percent of the total cost of driving. That's insignificant compared with subsidies to transit, which averaged \$1.08 per passenger-mile in 2019 and \$2.02 in 2020.

Highways are also far more socially equitable than urban transit. In 1910, before the mass production of automobiles, only the middle- and upper-classes could regularly travel by intercity passenger trains or urban transit. Many working-class people earned a dollar a day or less, which wasn't enough for them to pay daily streetcar or rapid transit fares. Instead, most walked to work.

Henry Ford's mass-produced automobile democratized mobility, as his moving assembly lines allowed him to double worker pay and cut the price of Model T Fords in half. As other industries adopted similar production methods, working-class families throughout the nation bought cars and achieved mobility that was unprecedented in human history.

Highways are egalitarian, giving equal access to people whether they are driving a Chevrolet Spark (the lowest-priced car in America today) or a Rolls Royce Boat Tail (the most expensive new car in America today). While the cost of driving may average 26 cents a passenger-mile, people can cut this by more than half by buying used cars, buying cars that are less expensive or get better gas mileage than average, driving more miles per year than average, and/or carrying more than the average load of 1.67 people per automobile.

In contrast, transit is highly inequitable as more than three-fourths of the subsidies used to support transit come from regressive taxes. Less than 5 percent of low-income workers take transit to work, which means 95 percent of low-income workers must disproportionately pay to subsidize transit rides they aren't taking. Reducing or eliminating transit fares will only increase the inequity of asking low-income people to subsidize 80 percent or more of the cost of rides taken by other people.

Some low-income families don't have automobiles, but the most equitable solution to that is to help them buy a car. The main obstacle for them is not the cost of the car or fuel but the finance charges, as banks charge up to 25 percent interest for used-car loans to people with no or poor credit. Many non-profit groups offer low-interest car loans and have found that helping a low-income family buy a car does more to help them out of poverty than providing them food stamps or rent subsidies.

# The Most Resilient Transportation

The pandemic has proven that one of the greatest benefits of motor vehicles and highways are their <u>resiliency</u>. In case

of wildfire, flood, hurricane, or other natural disaster, roads are there for people to use to evacuate from or bring supplies into a devastated region, whereas buses, trains, or other mass transportation can only successfully evacuate people if the operators of that transportation are prepared to do so. Before Hurricane Katrina hit New Orleans, the city had written a detailed plan to use buses to evacuate residents who didn't own cars, but failed to carry it out and tens of thousands were stranded in the city.

Highways are also available in the event of an economic disaster or pandemic. While highways require regular maintenance, maintenance needs are largely proportional to use and are paid for mainly out of user fees. Thus, the downturn in travel during the pandemic didn't create a maintenance problem for highway agencies, which received no supplemental funds from Congress due to the pandemic.

America's transit agencies, however, demanded and received \$70 billion in COVID-relief funds. Even now they are complaining that they will face a fiscal cliff when those funds run out in a year or so mainly because they don't expect ridership to ever recover to pre-pandemic levels.

A clear sign of the resilience of highways and motor vehicles is in the recovery of miles of driving after the pandemic. Driving reached 90 percent of pre-pandemic miles in September 2020, when transit, Amtrak, and the airlines were still under 40 percent. Driving reached 100 percent in July 2021, when transit had barely reached 50 percent and Amtrak and the airlines were still under 75 percent.

### The Cost of the War on the Automobile

Highway opponents seek to replace a low-cost method of egalitarian transportation that is mostly self-funded and goes almost anywhere with high-cost forms of inequitably funded transportation that only go where those in power are willing to send them. Highway opponents would also reduce the resilience of the nation to respond and adapt to natural and economic disasters. They cover up these views in a patina of altruism but in fact they are totally elitist, demanding expensive transportation for the well-to-do while reducing the mobility of low-income people.

The worst part is that anti-highway groups have failed to learn from more than half a century of activism that their strategy won't reduce the amount of driving people do. All it does is waste people's time.

Randal O'Toole, the Antiplanner, is a land-use and transportation policy analyst and author of Gridlock: Why We're Stuck in Traffic and What to Do About It. <u>Masthead photo</u> showing the future the anti-freeway coalition has planned for Americans is by prvideotv.