



Believe It or Not, Some Major U.S. Cities Still Don't Have Uber

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Uber now operates in over 180 cities in the United States. The ridesharing company's success is due to the well-known consumer benefits and flexible work that it provides. Yet, puzzlingly, there are still major US cities that remain Uberless, due to the influence of a powerful special interest—taxi companies.

This month, a group of taxi drivers and union organizers picketed City Hall in Rochester, New York. The city has over 210,000 residents and is home to a number of colleges and universities. Despite the ridesharing's ability to expand transportation options and work opportunities, the city's taxi lobby wants to stir up opposition to state legislation that will expand ridesharing services to Rochester.

Uber coming to Rochester (or any other city) is in no way a problem—except for the local taxi interests that financially benefiting from cartel-like control of what should be a private, dynamic transportation market.

Competition with traditional taxis from innovative ridesharing services reduces consumer costs—something Rochestarians could use desperately. A 2013 USA Today analysis of taxi rates found that of the 60 largest metropolitan areas in the country, Rochester had one of the highest estimated per-mile fares at \$3. Depending on the city, Ubers usually costs between 90 cents and \$1.10 a mile.

Lower-cost taxi services translate to more Rochestarians—particularly low-income millennials attending the city's many colleges—having better access to transportation and more money to spend at local businesses. Indeed, according to a Manhattan Institute study of Uber's effect on New York City by one of the authors (Jared), Uber “increasingly provide[s] New Yorkers in lower-income and minority neighborhoods” with increased access to transportation options. Those benefits are likely to expand to Rochester as well.

Uber is also safer than traditional taxis. “[T]here is little evidence that the sharing economy

services are more dangerous than traditional taxis. Indeed, the ridesharing business model offers big safety advantages as far as drivers are concerned,” according to Cato Institute scholar Matthew Feeney. The safety advantages are obvious: Uber trips are tracked in real time by the company, whereas a traditional taxi can drive anywhere without being noticed. The identities of both parties are also verified for Uber trips—which removes the dangers that come with anonymity.

In contrast, earlier this year New York City Police Commissioner Bill Bratton noted that the city’s taxi drivers were responsible for a marked increase in the number of rapes. These incidents accounted for around 10 percent of total reported rapes by strangers in the city. He advised the women of the city to “buddy up” to avoid sexual assault by taxi drivers.

Ridesharing companies also increase employment. Uber expects to bring 1,000 new private jobs to Rochester once it is allowed to expand there. Judging by Uber’s effect on the cities where it currently operates, this claim is no exaggeration. The majority of Uber’s new jobs will likely be part-time, but that is a feature—not a bug—of Uber’s system. Since Uber drivers determine their own work schedules, the platform provides a low-cost way to supplement incomes through part-time work.

All in all, Uber is a better product than what is offered by the existing taxi cartel, and it comes at a lower cost. But what of the complaints of the picketing Rochester taxi drivers—that it will kill their jobs and replace them with lower-paying ones?

Simply put, there is no support for the claim that Uber has devastated taxi drivers’ livelihoods. According to preliminary work by Judd Cramer of Princeton University, there is “no evidence that the advent of Uber has had a negative impact on wages in the taxi and limousine industry thus far.” Further, Uber drivers actually make more than do traditional taxi drivers, according to a 2015 study, and disgruntled taxi drivers are free to switch to the Uber platform if they can maintain high customer ratings.

In places such as New York City, regulators have simply allowed traditional taxis to build Uber-like smartphone interfaces, so they can compete on the same grounds as Uber. Drivers should advocate for the ability to compete without burdensome regulations, not fight to protect their outdated industry from technological advancement—especially when driving with Uber can lead to increased earnings.

Rochester’s politicians are right to support Uber. Assembly Majority Leader Joseph Morelle of Irondequoit co-sponsored a bill to bring Uber to Rochester, and Mayor Lovely Warren has also expressed support for bringing the ridesharing service to the city. Both likely realize the large economic benefits that come with increasing consumer choice, creating work opportunities, and embracing innovation.

Letting Uber in will be good for the both the economy and the residents of the Rochester. Taxi lobbies need to give up their futile crusade—there is absolutely no excuse for major cities to remain Uberless in 2016.

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