



Cars Trump Mass Transit, Pandemic Aside (O’Toole’s Cato Study Contribution)

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“The recent declines in transit ridership are a continuation of trends that began before 1920: the most important of these are the increasing levels of auto ownership and the migration of jobs and people to the suburbs.”

“A century ago, transit was a vital part of American urban economies. At least outside of New York City, that is no longer true. It’s time to stop wasting \$54 billion a year pretending that it is.”

Randal O’Toole is the proverbial gentleman and scholar. His decades of work on transportation issues has held up well—very well. And so it was with great interest that I read his latest Policy Analysis for the Cato Institute, “Transit: The Urban Parasite” (April 2020).

Some highlights follow:

Falling Demand

“Data released by the Federal Transit Administration in December 2019 indicate that 2018 transit ridership fell in 40 of the nation’s top 50 urban areas, and, over the past five years ridership has fallen in 44 of those 50 urban areas.”

“These declines [in transit ridership] have taken place in spite of huge increases in spending on public transit. In 2018 alone, subsidies to transit grew by 7.4 percent, increasing from \$50.5 billion to \$54.3 billion. Yet much greater increases will be needed to keep transit moving in many urban areas.”

“Ridership declines in many urban areas were much greater than the average rate of decline. Since 2013, Los Angeles has lost 23 percent of its riders, Miami 29 percent, St. Louis 24 percent, and Cleveland 33 percent. Ridership in Chicago, Philadelphia, and Washington—three of the nation’s biggest transit regions—all fell by 12 percent or more.”

“... modest growth has been seen in Houston, Richmond, and Columbus, Ohio. Transit agencies in these cities revamped their bus systems, increasing bus frequencies on popular routes, reducing or eliminating service on unpopular routes, and relocating routes to replace historic hub-and-spoke systems, which made sense when most jobs were downtown, with grid systems, which make more sense now that most jobs are in the suburbs.”

“While [the above] examples are worth emulating, such overhauls will provide a one-time boost in ridership but will not solve the industry’s long-term problems. Houston was the first major city to do such a redesign, and ridership grew for several years but now appears to have leveled out.”

Rider Wealth Issues

“Most low-income workers have given up on transit as a method of commuting and have purchased cars.”

“Instead of helping low-income people, transit’s major growth market is people who earn more than \$75,000 a year.”

“... making ridership free won’t necessarily significantly increase transit ridership. Tallinn, Estonia, a city of 430,000 people, reduced its transit fares to zero in 2013, yet ridership increased by only 1.2 percent in the first year, and most of that increase resulted from people choosing to take transit rather than walk, not as a replacement for driving. After five years, ridership grew by just 5 percent, which might have happened anyway.”

“Nationwide, the percentage of workers who live in households with no cars declined from 4.5 percent in 2014 to 4.3 percent in 2018. While that may seem small, when less than 5 percent of urban travel is by transit and 90 percent is by auto, a slight increase in auto ownership can translate into a relatively large decline in transit ridership.”

New York City

“Transit will clearly remain important in the New York metropolitan area. The question is: How will the region pay for it? The Metropolitan Transportation Authority’s (MTA) long-term debt is more than \$43 billion. Its maintenance backlog is \$60 billion. Its unfunded health care liability is more than \$20 billion.”

“Unless New York finds a way to fund its transit, it may have to accept lower population and job densities and a wholesale movement of residences and offices to the suburbs.”

Environmental

“In all but a handful of urban areas, transit uses more energy and emits more greenhouse gases per passenger mile than the average automobile.”

“Transit systems with declining ridership do little or nothing to relieve urban congestion; nearly empty buses often increase congestion.”

“... another transit agency tactic is to persuade cities to convert general purpose traffic lanes to dedicated bus lanes. This simultaneously speeds buses and penalizes auto drivers. Advocates claim that every bus deserves its own lane. This, however, is based on the assumption that buses are somehow more environmentally sound than autos, when in fact buses use far more energy and emit far more greenhouse gases per passenger mile than autos.”

Politics

“The claim that ride hailing increases congestion is merely an excuse to tax it and to punish a competitor to transit. If transit were private, cities would be much less defensive of it.”

“[T]he relationship between transit and most urban areas is not a symbiotic one but a parasitic one. Like any parasite, transit saps the vitality of the entities it is parasitizing, in this case by demanding huge subsidies from taxpayers. Like many parasites, some transit agencies even seek to reshape the regions they parasitize to make them more congenial for the health of transit even though such changes impose higher costs of living on the residents of those cities.”