

WebMemo



Published by The Heritage Foundation

No. 1607
September 10, 2007

Mass Transit: Separating Delusion from Reality

Wendell Cox

In a congressional hearing on September 5, Secretary of Transportation Mary Peters noted that 40 percent of highway user fees collected from drivers are diverted for uses other than roads and bridges. Committee members correctly attributed that figure to Heritage Foundation research.¹ Representative Peter DeFazio (D-OR) defended the diversion of highway funds, noting that half of the diverted money goes to transit programs *intended* to alleviate congestion and reduce road use. That intention, however, does not determine the results. Transit spending has failed to reduce traffic and wasted money that should have been spent on increasing road capacity.

Transit Has Not Reduced Road Congestion. The diversion of federal road user fees to non-highway projects began in 1982; since that time, annual transit expenditures have doubled, after adjusting for inflation. Fair value would have been for transit ridership to double. It hasn't even come close. Today, annual miles of travel by transit are only 25 percent higher than in 1982. This means that, after adjusting for inflation and the increase in ridership, spending on transit by all levels of government is at least \$15 billion more per year than in 1982—more than twice the amount being diverted at the federal level from fuel taxes paid by motorists.

The massive diversion of highway money to transit did not reduce traffic congestion or road use. In every one of the nation's urban areas with a population of more than one million (where more than 90 percent of transit ridership occurs), road use

increased per capita and by no less than one-third. Even worse, peak-period traffic congestion rose by 250 percent.

Congestion has increased even in urban areas that invested substantial local revenue in transit improvements. Portland is a prime example. Located just a few miles downriver from Congressman DeFazio's district, Portland's leaders have embraced an anti-highway ideology on the assumption that they can get people to ride transit instead. Portland went so far as to cancel a freeway and use the money to build its first light rail line, which opened in 1985.

The results have been dismal. A smaller share of people in Portland take transit to work today than before the light rail line (and the subsequent three other lines) was built. Portland's traffic congestion has increased at a rate well above the average for large urban areas. Few of the nation's largest urban areas have experienced so great an increase in traffic congestion.

Minneapolis is another urban area where transit has failed to deliver. The urban area opened a 12-mile light rail line 2004, costing more than \$700 million. The line diverted few people from using

This paper, in its entirety, can be found at:
www.heritage.org/Research/SmartGrowth/wm1607.cfm

Produced by the Thomas A. Roe Institute
for Economic Policy Studies

Published by The Heritage Foundation
214 Massachusetts Avenue, NE
Washington, DC 20002-4999
(202) 546-4400 • heritage.org

Nothing written here is to be construed as necessarily reflecting the views of The Heritage Foundation or as an attempt to aid or hinder the passage of any bill before Congress.

their cars, and traffic increased after it opened. The new ridership added to the transit system was less than the passenger volume on the one-third mile long I-35W before it collapsed. Of course, no one knows how much of this modest increase was due to the new light rail line and how much was due to exploding gasoline prices. In either event, the results have been negligible. Barely one percent of travel in the Minneapolis area is on transit. It seems that raising transit usage to a mere two percent would be a monumental challenge no matter how much money is spent.

Congress has failed to make the connection between wasteful transit spending and inadequate roads and bridges. In Washington, where more money is the solution to every problem, Congress is breaking out the taxpayers' checkbook even before anyone knows why the bridge collapsed.

Why Transit Often Fails to Deliver. This paltry performance does not mean that transit does not have a role. Transit does a superb job of getting people to the largest downtown areas in the nation. U.S. Census data indicates that more than 70 percent of people travel to their jobs in New York's central business district on transit. In Chicago, San Francisco, Boston, and Philadelphia, the number is about 50 percent.² Indeed, nearly one-half of the transit commuters in the 50 largest urban areas work in central business districts (or downtowns).

The problem with transit is that, on average, 90 percent of jobs are not located in downtown areas. Those 90 percent of employees are spread over an area more than 500 times as large as the downtown areas. No transit system can serve this type of demand at a speed that is competitive with the automobile. Transit advocates routinely oversell the potential of transit spending to reduce road congestion, pretending that it can make a difference outside core areas.

The only way to reduce traffic congestion is to provide more roadway capacity. Anti-automobile ideologues argue that building more roadway capacity will simply cause people to drive more (as if people had nothing better to do). That is like arguing that building more maternity wards would increase the birth rate. The alternative to building more roads is to watch traffic congestion worsen and suffer the economic losses. Not surprisingly, the business community is expressing this concern in anti-automobile Portland.

Conclusion. There is simply no hope for reducing traffic congestion with transit. Representative DeFazio and others may delude themselves to think otherwise. They would be better served staking out a spot on the roof on during the holiday season to watch for Santa Claus.

—Wendell Cox is Visiting Fellow for the Thomas A. Roe Institute for Economic Policy Studies at The Heritage Foundation.

1. Ronald D. Utt, "Reauthorization of TEA-21: A Primer on Reforming the Federal Highway and Transit Programs," The Heritage Foundation, *Backgrounder* No. 1643, April 3, 2003, at www.heritage.org/Research/SmartGrowth/bg1643.cfm.
2. Demographia, "United States Central Business Districts (Downtowns): 50 Largest Urban Areas 2000 Data on Employment & Transit Work Trips," June 2006, at www.demographia.com/db-cbd2000.pdf.