

Wednesday, July 27, 2022

Connecting the Dots Between Transportation, Climate, and Inflation

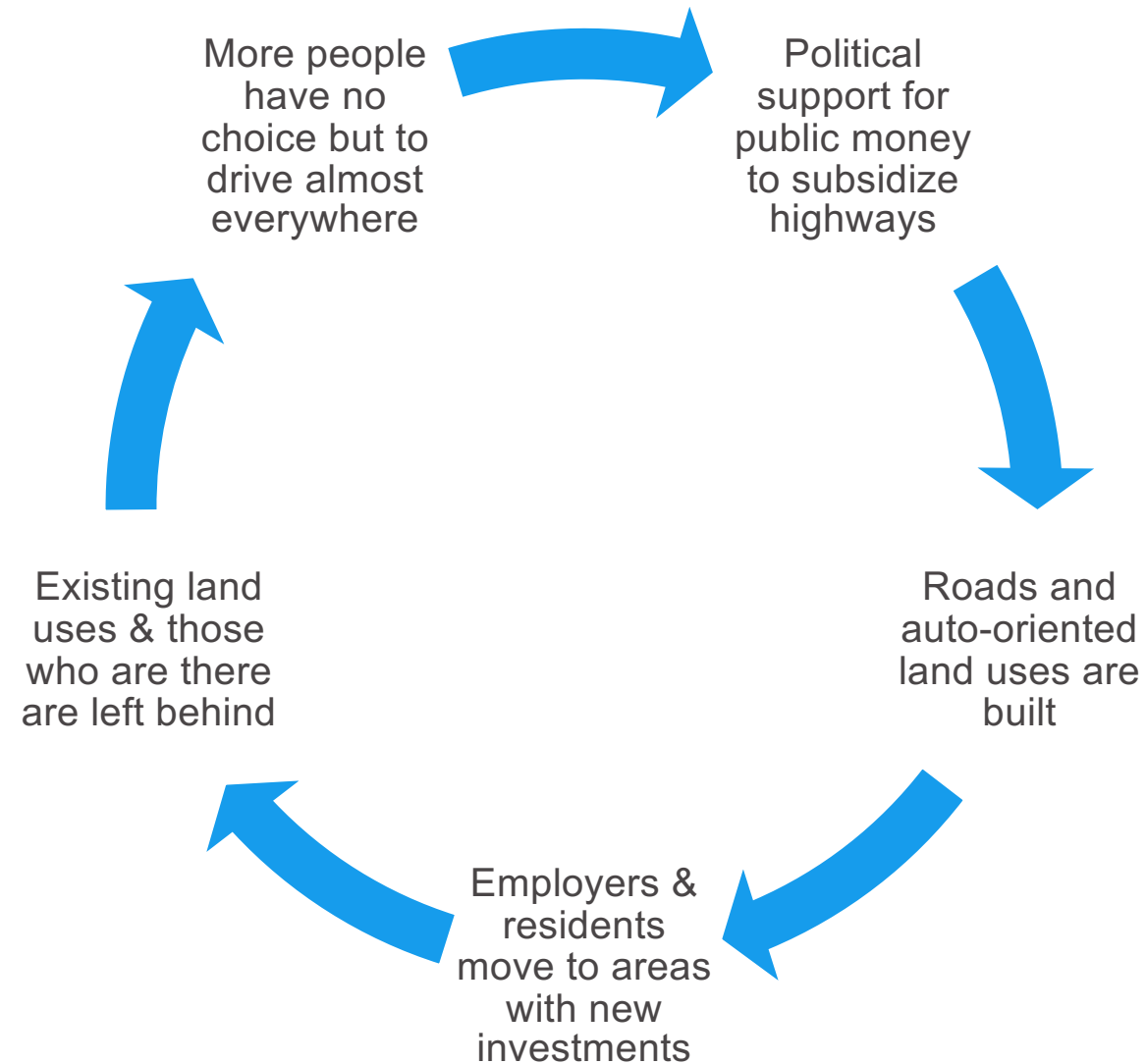
Land Use Lab at Urban



Yonah Freemark

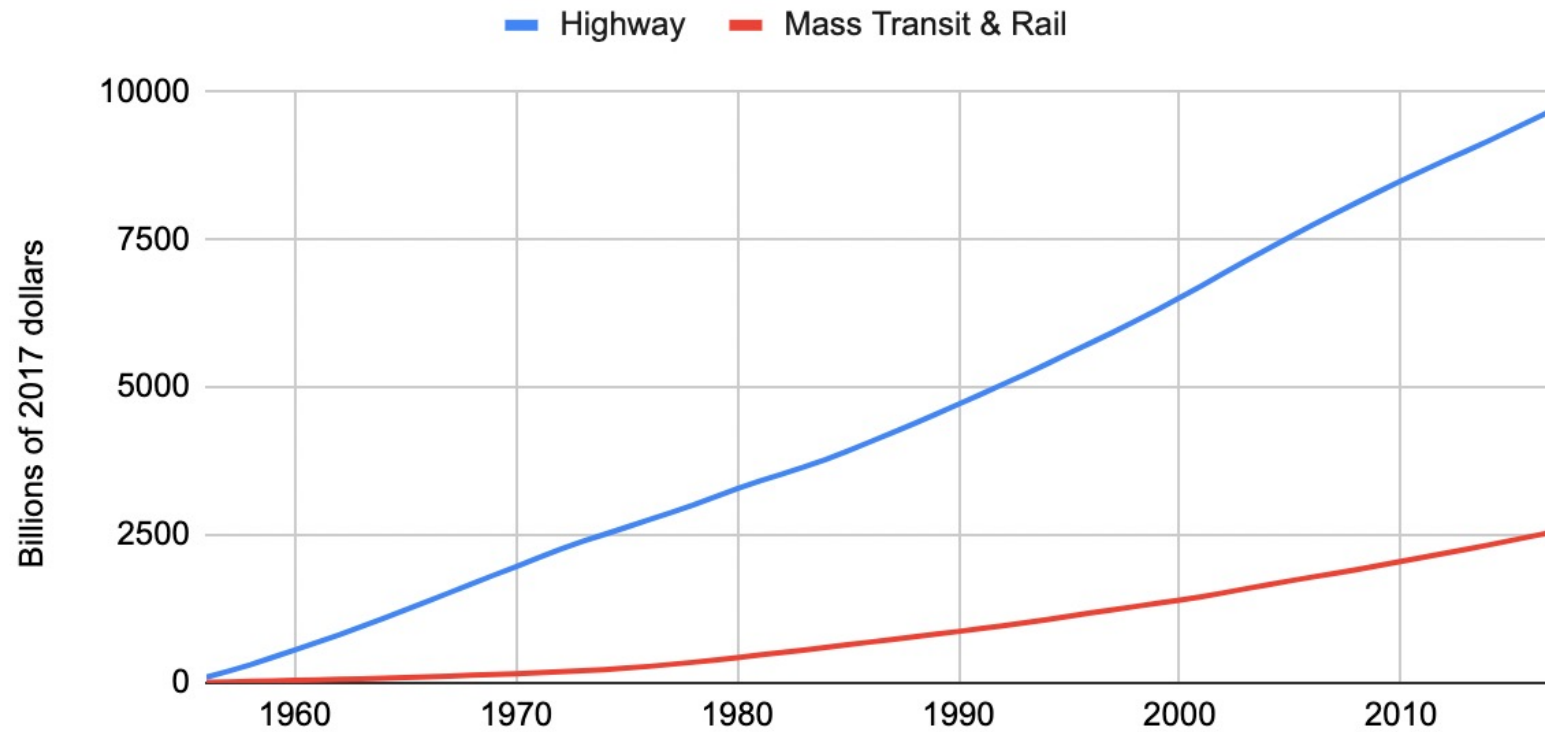
Research Director, Land Use Lab at Urban
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We're Stuck in a Vicious Cycle of Automobile Dependence



Cumulative spending on infrastructure, all governmental levels, 1956 to 2017

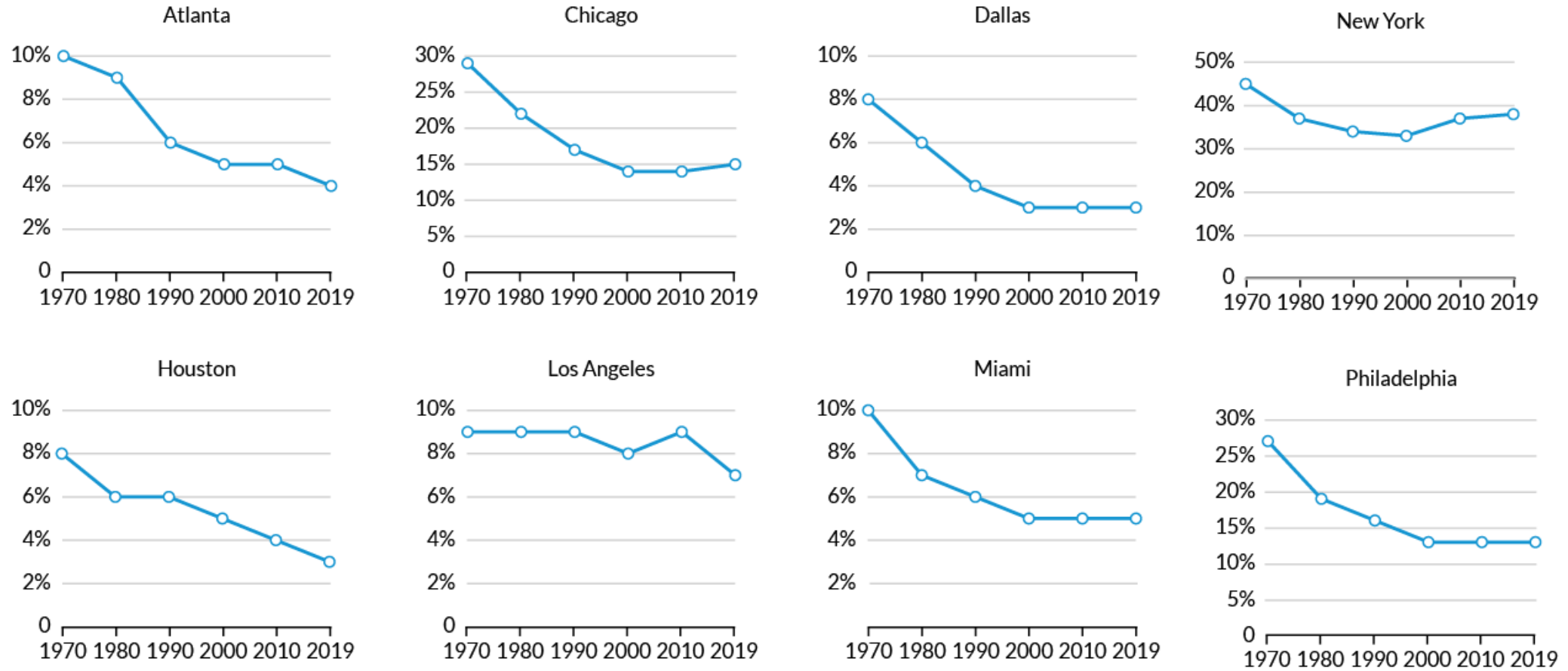
Source: CBO; chart by Yonah Freemark/The Transport Politic



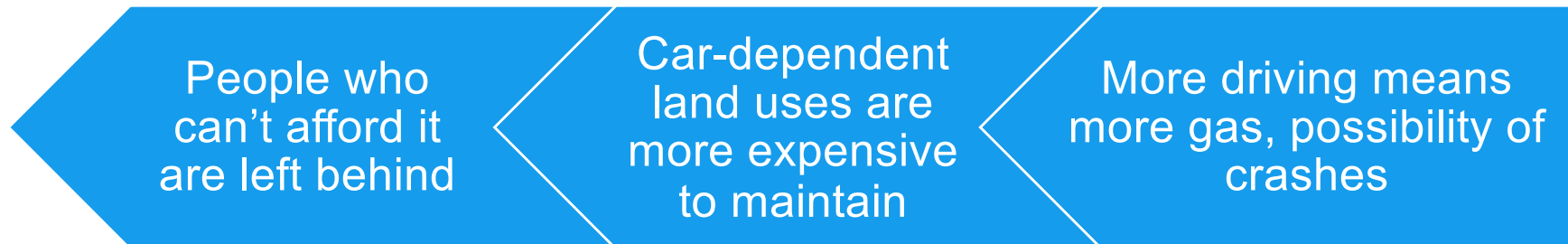
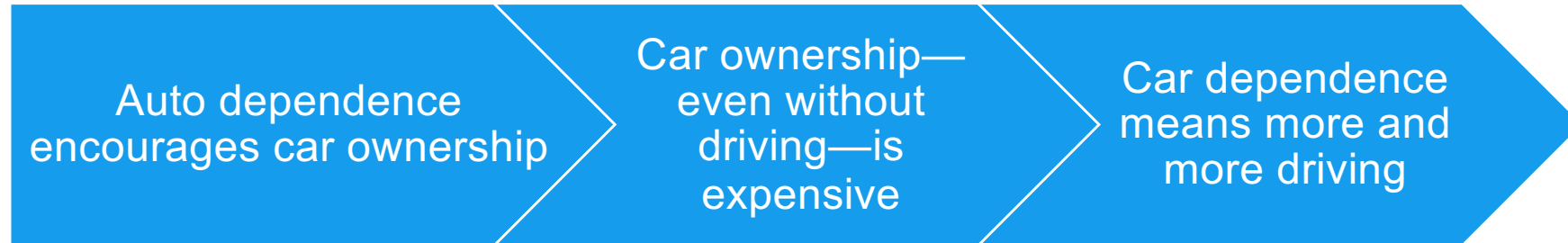
In Metropolitan Areas around the Country, Commuters Are Choosing to Walk and Take Transit to Work Less Frequently

Change in share of working-age commuters using transit or walking to get to work, 1970–2019, nine largest metropolitan areas (2019)

METROPOLITAN AREAS SCALED INDEPENDENTLY

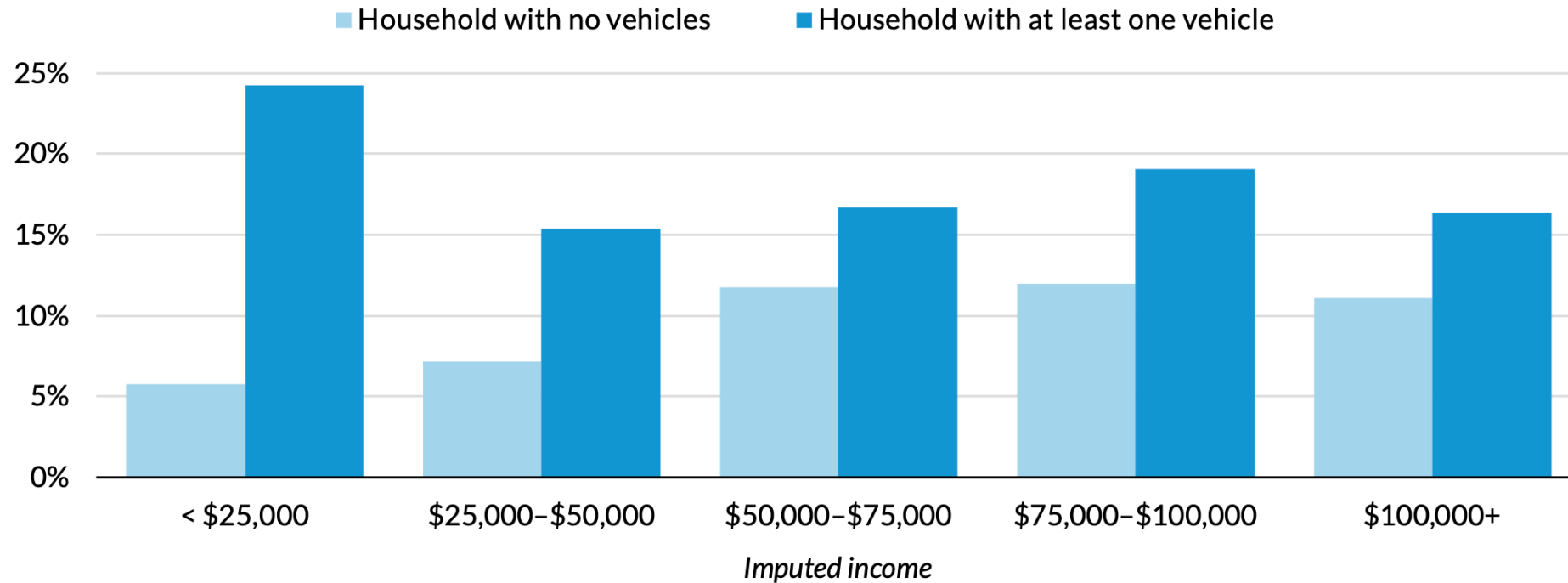


Automobile Dependence Costs Everyone More Money



Households with Cars Spend Considerably More on Transportation

Share of consumer expenditures spent on transportation



Source: Interview data from the US Bureau of Labor Statistics' Consumer Expenditure Surveys for the second quarter of 2020, representing data from previous quarters.

Notes: Data are for households with a primary householder between 25 and 65 years old. There is no statistical difference ($p < 0.05$) in t -tests comparing overall nontransportation expenditures among the income buckets above \$25,000. $n = 3,332$ respondents.

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Suburban City's Annual Cost, per Household



Urban City's Annual Cost, per Household



For more data and more reports, visit thecostofsprawl.com
Data based on Halifax Regional Municipality

Car Dependence Means Excessive Exposure to Inflation

- Imagine three hypothetical households in a world of \$3/gallon gas
 - Assumes 30 mpg cars and \$7,000/year for car maintenance
- | | | |
|--|--|--|
| <ul style="list-style-type: none"> ■ Household 1 ■ Spends \$3,000 a month on mortgage ■ Lives in a walkable community and doesn't own a car ■ \$4,000 a year on transit, bikes, taxis ■ Total: \$40,000 | <ul style="list-style-type: none"> ■ Household 2 ■ Spends \$2,500 a month on mortgage ■ Owns 1 car. Averages 14 mi driving/day ■ \$10,000 a year on car, transit, bikes ■ Total: \$40,000 | <ul style="list-style-type: none"> ■ Household 3 ■ Spends \$2,000 a month on mortgage ■ Owns 2 cars. Averages 40 mi of driving/day ■ Spends \$16,000 a year on cars ■ Total: \$40,000 |
|--|--|--|

Under High Gas Inflation....

- Imagine three hypothetical households in a world of \$6/gallon gas
- Household 1
 - Spends no more on transportation expenditures
- Household 2
 - Spends around \$500 extra per year on gassing up, totaling \$1,000
- Household 3
 - Spends around \$1,500 extra per year on gassing up, totaling \$3,000

That's a 7.5 percent increase in household expenditures

Reducing Automobile Dependency Can Reduce Costs

- A society where fewer people drive is a society with less transportation expenditures overall
- It's a society that's more resilient to random spikes in energy prices and that is less destructive to the environment
- It's also a place where access to daily needs isn't dependent on personal wealth

Thanks!