



How the U.S. Transportation System Fuels Inequality

Transportation Policies Prioritizing Private Vehicle Use Leave the Poor and People of Color Behind

By Basav Sen

Also [available online](#) with interactive charts.

For decades, the federal government has allocated about [four times as much funding](#) to roadways as it has to public transit such as buses and subways.

This policy choice has consequences for racial and economic justice, the environment, and more. Here, we focus only on the racial and economic justice questions – whose interests are not served, and who are excluded, by the policy choice to prioritize an ever-expanding roadway system over public transit?

When the federal government pours money into highways and starves public transit of resources, an inevitable consequence is that the road network keeps expanding, and public transit systems face resource constraints that impact their operation.

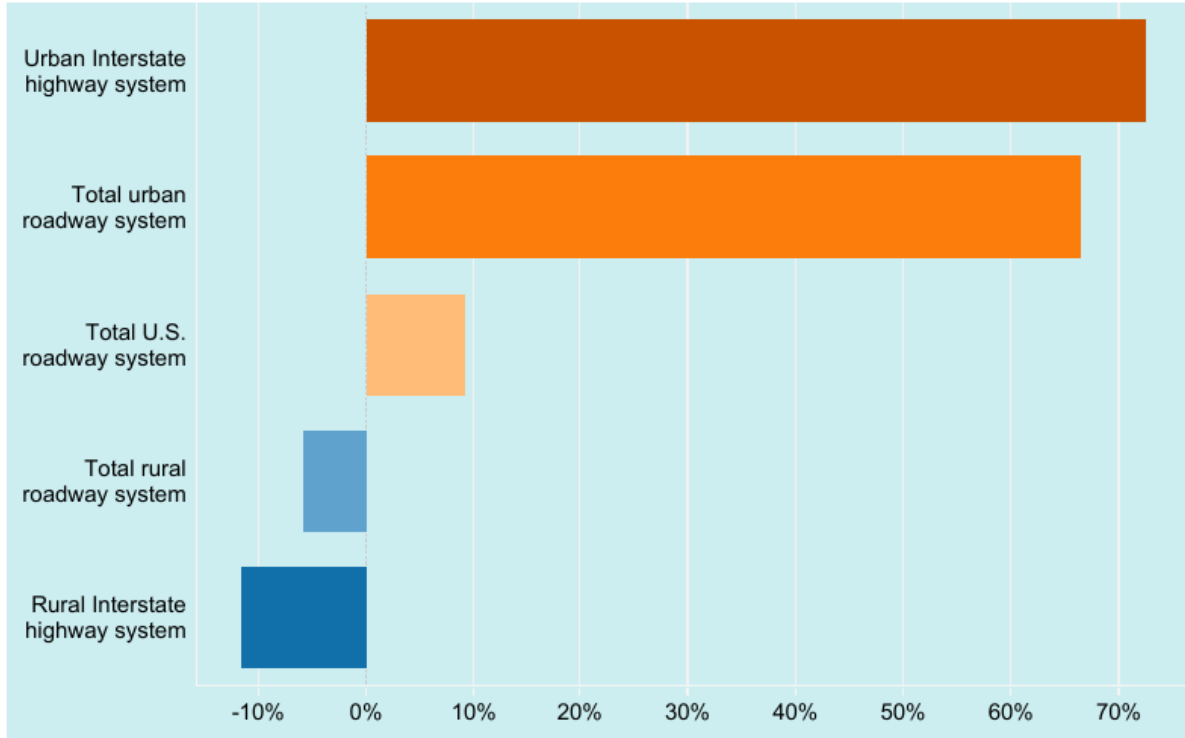
Between 1990 and 2020, the extent of roadways in the U.S. measured in lane miles [grew by 9 percent](#).¹ However, what this overall number masks is the dramatic growth of urban roadways. Even as the overall extent of rural roadways shrank by almost 6 percent over this period, urban roadways overall expanded by almost 67 percent, and urban interstate highways in particular expanded by almost 73 percent. (see chart on p. 2) Federal transportation funding has subsidized urban sprawl.

Meanwhile, public transportation systems have an accumulated maintenance and repairs backlog that is estimated by different sources as between [\\$90 billion](#) and [\\$176 billion](#). The [\\$39 billion in new transit funding](#) provided by recent federal infrastructure legislation is less than half of the lower estimate of this maintenance backlog (and less than a quarter of the higher estimate).

When transit systems are poorly maintained, the frequency and reliability of service suffers, making transit a less viable form of personal transportation. Faced with unreliable (and for as many as [45 percent](#) of people in the U.S., non-existent) transit systems, people often have no choice but to drive a personal vehicle to get to work, medical appointments, the grocery store, or anywhere else. Who does this impact?

The U.S. Urban Roadway System Has Grown Rapidly Over 30 Years

Growth of components of the U.S. roadway system measured in lane miles, 1990-2020



Source: Bureau of Transport Statistics, National Transportation Statistics

Who Are the Carless?

Obviously, in a society where ownership of a personal vehicle is essential for basic personal mobility, those without a vehicle (about [18 percent of all U.S. households](#)) are excluded. But the degree of exclusion can be far worse for some people.

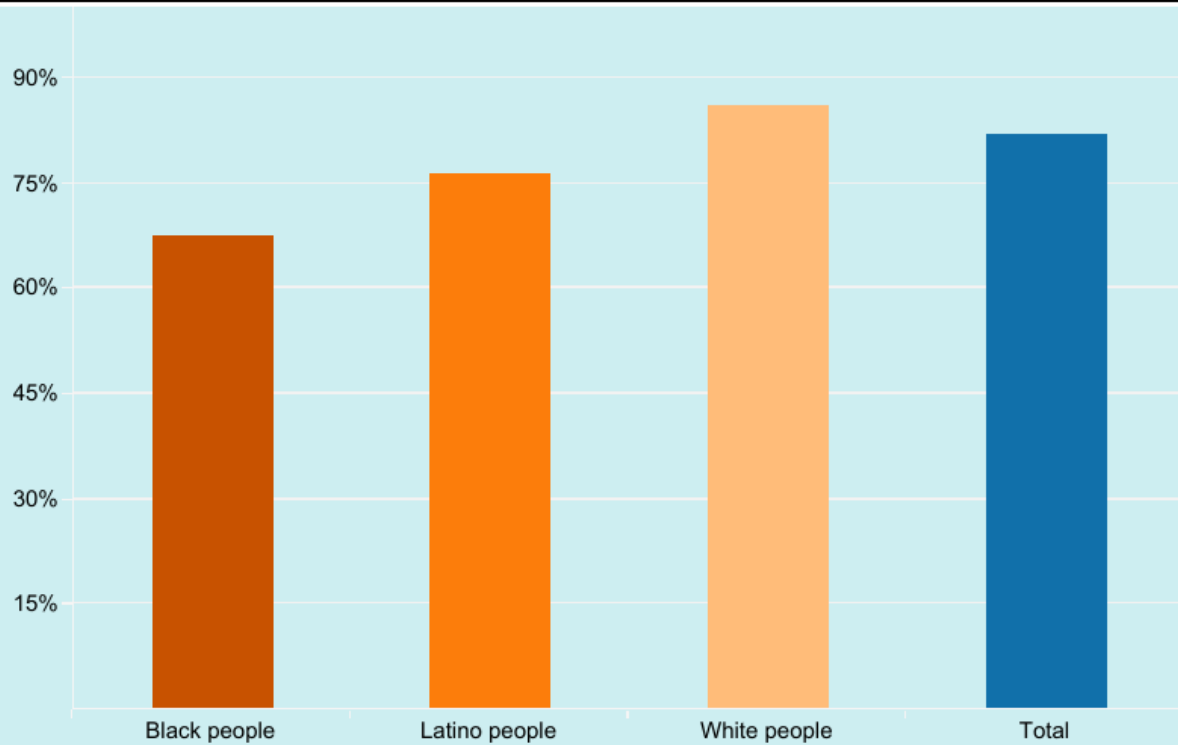
Personal vehicle ownership rates by households are distinctly lower for people of color than for white people, as seen from [U.S. Census Bureau data](#). Barely more than two-thirds of Black households own vehicles, compared to about 82 percent of all households and 86 percent of white households. (see chart on p. 3)

[The same data](#) show even more striking disparities in vehicle ownership by household income, with only 61 percent of households in the lowest income quintile owning a vehicle, compared to 90 percent of households in the highest income quintile.²

A transportation system that assumes universal private vehicle ownership denies basic mobility to two out of five of the poorest one-fifth of U.S. families.

Black and Latino People Own Fewer Cars than White People

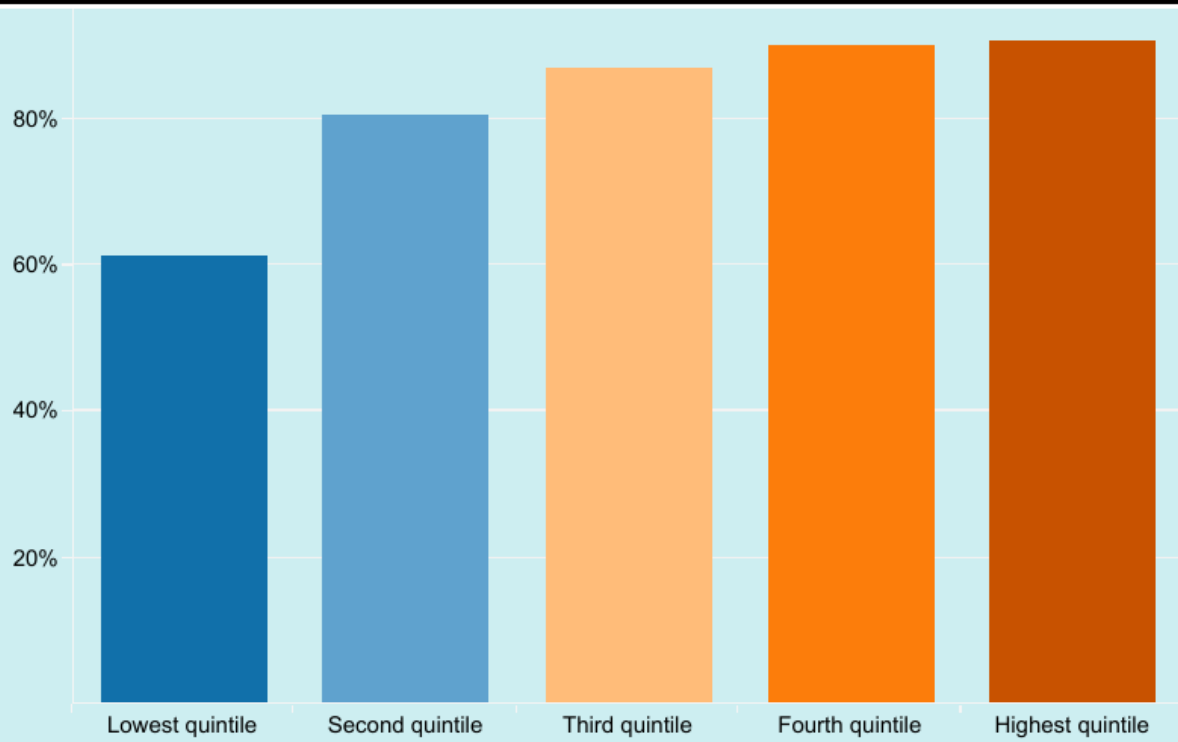
Share of U.S. households owning vehicles by racial group, 2019



Source: Census Bureau

Low-Income People Own Fewer Cars than High-Income People

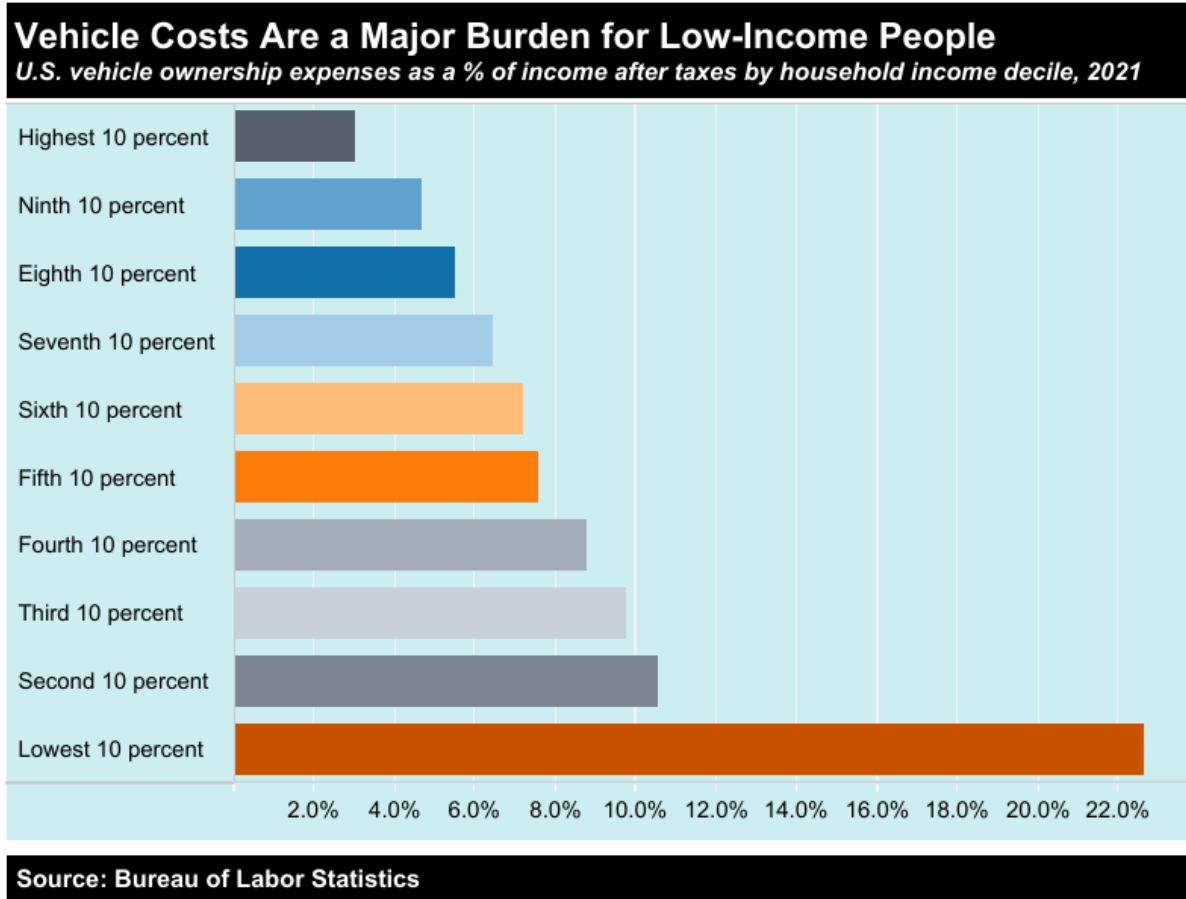
Share of U.S. households owning vehicles, by income quintile, 2019



Source: U.S. Census Bureau

The High Costs of Vehicle Ownership

But what about households that do own vehicles? Costs such as gasoline, vehicle insurance, and maintenance and repairs add up to a [significant share of income](#) for lower-income families.³ For the poorest 10 percent of U.S. households, the share of after-tax income going to vehicle costs (22.6 percent) is 7.5 times as large as the share spent on vehicle costs by the richest 10 percent.



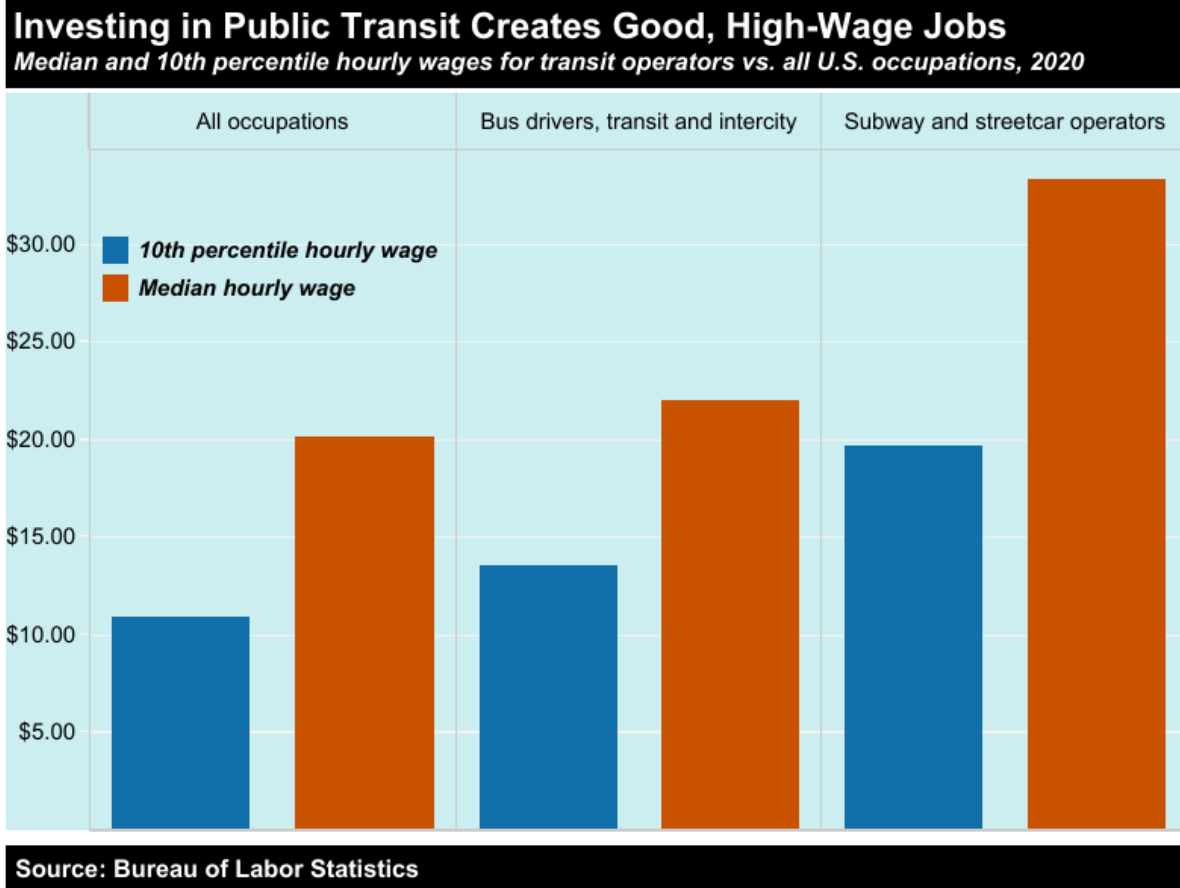
A transportation system where people have to rely on their own vehicles doesn't merely exclude those who don't own vehicles – it imposes a severe financial burden on poorer households that *do* own vehicles.

U.S. transportation policies privileging roadways and personal vehicles over all other modes of travel have not served the economic and transportation needs of all. They are a public subsidy for disproportionately white, wealthier households, at the expense of the rest of the population.

Transit Creates Good Jobs

Transforming U.S. transportation policy priorities from its current overemphasis on (and excessive funding for) roadways at the expense of all other forms of transportation will clearly serve the needs of people of color and low-income people by providing them more affordable and accessible mobility choices that don't require them to own cars. But such a transformation will also create another important economic benefit for these currently underserved communities, in the form of good jobs.

Transit jobs are good blue-collar jobs, with [high wages compared to the economy-wide average](#).⁴ Subway and streetcar operators, for example, have a median wage of \$33.38, which is more than 50 percent higher than the median wage for all U.S. occupations. Even entry-level transit workers make relatively high wages. Subway and streetcar operators who are in the bottom 10 percent of wage earners in their occupation earn a median of \$19.66 per hour. That's nearly twice the median for workers in the bottom 10 percent wage group for all U.S. occupations.



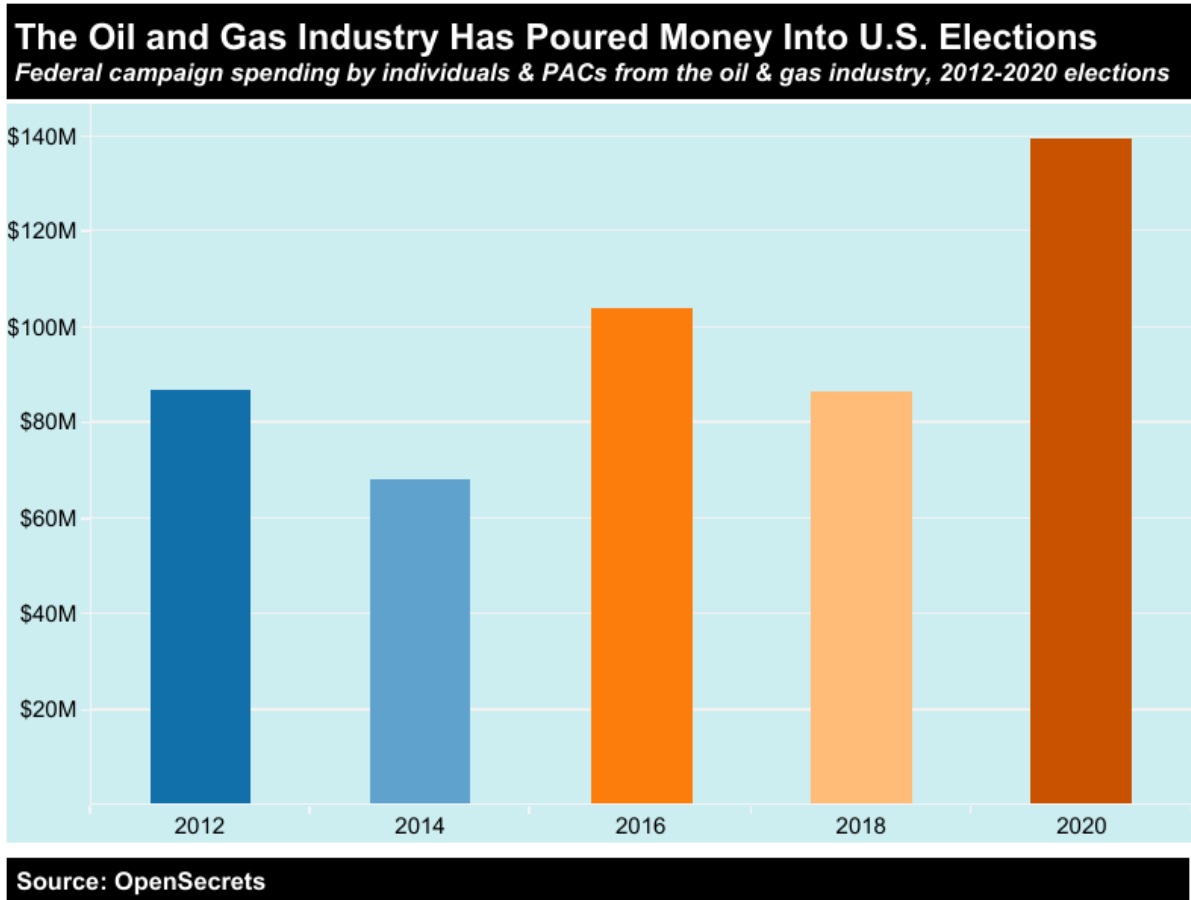
Following the Money

Shifting U.S. transportation priorities away from their disproportionate focus on highways and towards public transit would actually serve the interests of people of color and low-income people, by improving mobility options for people who don't own vehicles, and people for whom owning and operating a vehicle is a serious financial burden. Why, then, has this shift not happened?

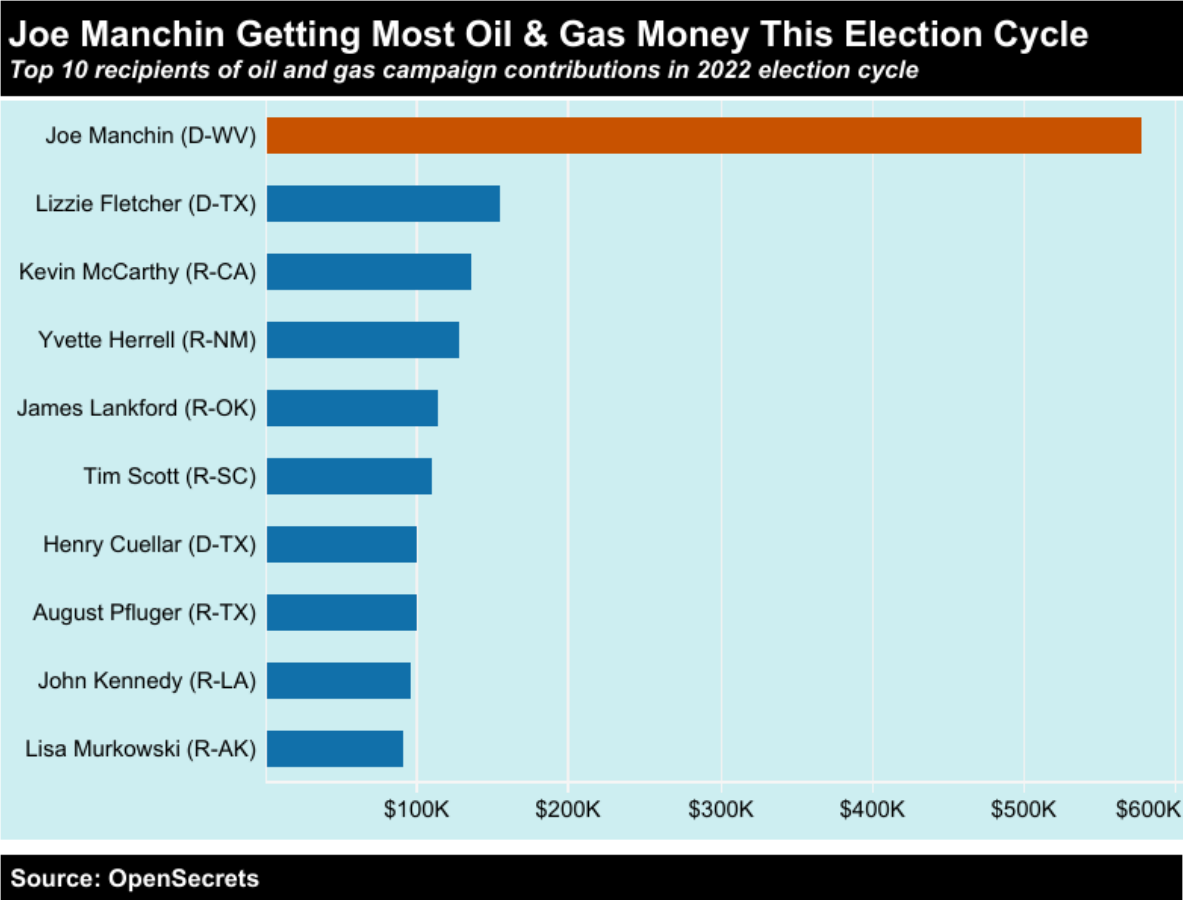
Unsurprisingly, that's partly attributable to industry lobbying pressure, backed by campaign money. For the oil and gas industry in particular, highway-centric transportation is a gift that keeps on giving, because it provides a captive market for their product. Lack of other dependable transportation options compels people to drive everywhere, boosting sales of gasoline and diesel.

We know this anecdotally, through an Exxon lobbyist [bragging to undercover investigative journalists](#) that the company lobbied to turn the American Infrastructure and Jobs Act (popularly known as the Bipartisan Infrastructure Bill) into a "highway bill."

But we know this more definitively as well. Political campaign contributions by the oil and gas industry over the last five election cycles (2012 through 2020) have totaled [\\$485 million](#), including \$140 million in the last election cycle alone.



In the current (2022) election cycle, a huge share of oil and gas money has gone to just one politician – [Sen. Joe Manchin \(D-WV\)](#). The industry’s campaign contributions to Manchin are nearly four times their contributions to the next highest recipient.



Manchin was part of the [group of Senators](#) who came up with the Bipartisan Infrastructure Bill, and one of its [most vocal proponents](#). And the bill continues the [longstanding practice](#) of allocating a [disproportionate share of funding to highways](#) at the expense of other modes of transportation. Clearly, fossil fuel interests are rewarding him for serving their interests.

Transit Equity Day

On February 4 (Rosa Parks’ birth anniversary), a network of transit rider organizations, unions, civil rights organizations, and climate and environmental justice organizations will observe the fifth annual [Transit Equity Day](#), lifting up demands for affordable, accessible public transit for all, powered by electricity from renewable sources, and with good union jobs.

Transit Equity Day is a great opportunity to publicly challenge the flawed policy priorities that create and maintain our exclusionary transportation system, and advocate for just, inclusive transportation for the benefit of people and the planet. See this [events listing page](#) for Transit Equity Day events near you.

NOTES

¹ One lane of roadway over a one-mile length is one lane mile. Thus, a 10-mile length of a four-lane roadway is 40 lane miles, and a 20-mile length of a two-lane roadway is also 40 lane-miles.

² A quintile is one-fifth of a distribution. If all household incomes in the U.S. were arranged in order from the lowest to the highest, the lowest one-fifth of household incomes would be called the lowest income quintile, the next one-fifth would be called the second quintile, and so on.

³ The chart in this section shows vehicle ownership expenses as a share of income after taxes by household income decile, 2021. Vehicle ownership costs are the sum of the following four items as a share of income after taxes by income decile: gasoline, other fuels, and motor oil; vehicle finance charges; vehicle maintenance and repairs; and vehicle insurance. A decile is conceptually similar to a quintile, but with the population of interest divided into tenths instead of fifths.

Note that the data are represented as a share of household income, rather than a share of household expenditures. For the lower income deciles, the shares that these costs represent are distinctly smaller when measured as a share of expenditures instead of income, because average household expenditures exceed household income by a large margin. There are multiple reasons for that: some of the lowest income households are going into consumer debt to meet day to day living expenses, some are students who receive financial help from parents, and some are well-off retirees with very little current income but a lot of accumulated wealth. According to [data documentation](#) from BLS, students plus all retirees (without distinction based on wealth) together account for 46% of the lowest income quintile. But that's still less than half of the population of the quintile, so in our view, presenting data as a share of household income, while providing some of this cautionary context, is much better than presenting the data as a share of household expenditures. Otherwise, we would be glossing over the fact that many households have incomes so low that they cannot support themselves and have to go into debt to survive.

We have represented vehicle ownership costs as a share of income after taxes rather than income before taxes as a conservative choice for showing disparity in vehicle ownership costs between income deciles. This is because, for the bottom 40% of households by income, after-tax income exceeds pre-tax income, as a consequence of the Earned Income Tax Credit (EITC) and various government income supports. Vehicle ownership costs as a share of pre-tax income would therefore be even larger than shown in Figure 3 for the bottom four income deciles. For the higher income deciles, pre-tax income exceeds after-tax income. Consequently, vehicle ownership costs as a share of pre-tax income would be even lower for the higher deciles. Using pre-tax instead of after-tax income as the denominator would therefore show even more striking disparity in costs as a share of income than the results in this chart.

⁴ The chart in this section shows hourly wages by occupation as defined by the Bureau of Labor Statistics (BLS), reported in the BLS Occupational Employment and Wage Statistics, 2020.

A median is the half-way point of a distribution, such that half the distribution has a higher level and half the distribution has a lower level of the measured variable. Thus, if the median wage for subway and streetcar operators is \$33.38/hour, it means that half of subway and streetcar operators have a higher hourly wage, and half have a lower hourly wage.

A percentile level is in principle similar to a quintile or a decile, but with the population divided into hundredths instead of fifths or tenths. Thus, a 10th percentile level is the upper limit of the bottom 10 percent of a distribution, and the 95th percentile is the lower limit of the top 5 percent of a distribution. The 10th percentile hourly wage level of \$10.97 for all occupations in the U.S. economy is therefore the wage level such that 10 percent of workers have a smaller hourly wage, and 90 percent have a higher hourly wage.

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