

Urban Transportation in the Eighties

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In the twentieth century a crisis developed in transportation that coincided with and contributed to the crisis of the city. "We shall solve the problems of the city by leaving the city," promised Henry Ford, and current federal policies threaten to make the abandonment of cities into an object of public policy. Scorned as they may be, cities are inhabited places, and their social and physical decay has consequences that extend well beyond the city limits. Rather than serving existing urban populations, highway transportation redistributed population creating new settlement patterns and new limits to urban mobility.

Today we confront the phenomenal costs of our urban transportation system—oil shortages, rising auto prices, highway repair costs, transit budget crisis, mass unemployment in the auto industry, and rising environmental and highway safety problems.¹ Less tangible, but no less real, are the effects upon community life. The division of urban space spurred by motorization has resulted in the isolation of the workplace from community life, the invisibility of the elderly and the young, and the erosion of social cohesion that preserved socially mixed and stable neighborhoods. Patterns of residential segregation by economic class, ethnic, racial, or age group have drained community life of political vitality. Community interests are now perceived as separate from workplace concerns; the primacy of private over public life weakens political participation; and the

¹ Census figures indicate that transportation costs as a portion of total personal consumption expenditures have more than tripled since World War I; state and local highway debt are over \$30 billion; and, government estimates of repairing the national highway system by 1990 are as much as it cost to build it (over \$250 billion). On cost changes see J.W. Fuller, "Inflationary Effects of Transportation," *Annals of the American Academy of Political and Social Science* 456 (July):112-22.

socialization of children isolated from diverse income, age, and social groups reinforces the privacy of consciousness. The decline of mass transit narrows the diversity of urban experience, isolating communities and workplaces and insulating urban travelers from the world in between. These costs are indicative of the impact of transportation on ordinary lives.²

At the turn of the century, the most popular stocks on the New York Stock Exchange were urban electrical railways; from 1890–1918, urban transit grew faster than urban population and investment in transit more than quintupled. Electrification's rapid pace was less a function of population growth than the growth of land speculators (or "groundhogs," as they were less affectionately called) who viewed transit as a social overhead investment to encourage regional development by private enterprise. As Delos Wilcox, the premier transit engineer of the period, noted, "public service was largely incidental to the operation of the streetrailways," physical mobility in cities was subordinated to speculative profits in land, transit, and utility stock manipulations. Economic concentration proceeded through the conglomeration of landowning, public utility, and financial interests that controlled the "transit trusts." The lack of extensive service and rising fares politicized transit and led to calls for public control. Before World War I, virtually every U.S. city was the scene of legal battles, referenda over fare hikes, public ownership campaigns, and investigations of transit corruption.

Overcapitalization, corrupt accounting practices, and overextended transit lines were unprofitable—except in the short run, of course—for land speculators and investors, and led to a financial collapse by the end of World War I when over a third of the operating firms went bankrupt. As one insider told the Feder-

² These impacts occur differently for various groups. The deficiencies in mass transit have created distance barriers for the working poor who live far from job opportunities (see C.S. Davies and M. Albaum, "The Mobility Problems of the Poor in Indianapolis," *Antipode* 1 (1972):67–87). Low levels of transit service and auto ownership also function to prevent women's labor force participation and occupational mobility (H.Z. Lopata, "The Chicago Woman: A Study of Patterns of Mobility and Transportation," *Signs* 5, no. 3 (Spring 1980):161–69. For those with access to urban transportation, inequities appear in the compulsory time spent in work-related travel. Although transportation shifts towards private modes promised decreased travel time, it created instead land use patterns that impose new spatial limits on mobility. In most urban centers the average time it takes to get to work has increased and will continue to do so by 10–15 percent by the end of the century according to the Office of Technical Assessment Study on the Future of the Automobile. Moreover, minority and blue-collar work trips average longer and are more time-consuming than all work trips regardless of residential location (David Greytak, *Residential Segregation, Metropolitan Decentralization, and the Journey to Work* [Springfield, Virginia: National Technical Information Center, 1972]).

al Electrical Railway Commission in 1919, "we insiders are selling out just as fast as we can."³

Disinvestment and calls for public control led corporate figures such as August Belmont, owner of the New York Subway, and Samuel Insull, an electrical utility magnate and Chicago elevated-line owner, to call for public regulation instead. The resulting regulatory commissions were the first of many measures that removed fights over urban transportation from the public sphere of city politics to the forums of appointed, business-oriented public utility and public service commissions at the state level. This was the first step in insulating transportation decisions from public pressures by the de facto disenfranchisement of the urban population. Political centralization in transportation planning thus began, draining democratic participation from transportation policy. Transit issues were depoliticized.

The resulting shift from public to private in urban transportation meant that the public sector would pick up transportation expenses and thus free investment capital from infrastructural costs. But disinvestment and corporate-directed public regulation did not assure transit's demise. After the credit collapse of World War I, receiverships began to fall and major urban centers actually experienced growth in their ridership. For that brief period, increasing auto ownership and transit ridership coexisted in U.S. cities. In spite of financial disasters and rising fares, rail transit survived and was cheaper than bus operations.⁴ In fact transit trips increased at a higher rate than auto-generated urban trips until the Depression (25 percent compared to 17 percent).

The resiliency of mass transit, along with market saturation in the auto and oil industry, created problems for monopoly corporations. Although innovations were introduced to further motorization—the introduction of the assembly line, changes in style, financing, and new marketing techniques—the popularity of transit remained a problem for auto, oil, rubber, and construction companies. The reorganization and economic concentration of the auto industry alone was insufficient to motorize America. When competition from public transit carriers would not disappear, it was eliminated—urban rail transit was replaced by motor buses that were replaced by cars. This was accomplished by paving over rails, replacing streetcars with buses, and simultaneously displacing thousands of passengers into automobiles.⁵

³ Federal Electrical Railway Commission, *Hearings* (Washington, D.C.: Government Printing Office, 1920): 1058.

⁴ See D.J. St. Clair, "The Motorization and Decline of Urban Public Transit, 1935-50," *Journal of Economic History* 41, no. 3 (September 1980): 579-600.

⁵ See Bradford C. Snell, *American Ground Transport*, Hearing before the Subcommittee of Antitrust and Monopoly (United States Senate, Washington, D.C., 1974).

The coalition of large auto, rubber, and oil firms used various methods to promote conversion from electrical transit to buses—direct acquisition of electrical transit operating companies, the establishment of noncompetitive supply contracts, investments by corporate officers or managers in other transit lines, financial pressure through banks, direct and indirect loans, and manipulation of trade association activities.⁶ All of these strategies violated antitrust laws, fair trade practices, and a host of civil and criminal laws. When prosecution occurred, as in the famous National City Lines and General Motors-Bus antitrust cases, the judgments were trivial or impossible to enforce. In some cases, indictments were prepared by the Justice Department but mysteriously never filed in court. Monopoly behavior continued and the corporate structure that produced it remained untouched. Smaller producers of alternative transportation technologies, either automotive or electrical transit, disappeared.

The consequences of forced conversion to buses were disastrous for the transit operating industry as well. In order to finance bus modernization, route abandonment became common as a cost-cutting measure, leaving many urban dwellers with no alternative to the automobile. This hastened declining ridership by shrinking the area served by mass transit.

By the 1950s, over 90 percent of the surviving transit operating firms were bankrupt and had to be taken over by local government. The authority to tax, along with control over urban transportation, had been centralized at the state and federal level, leaving few resources for local investment into transit. Financial inattention in public transit produced a vicious circle of rising fares, declining service, and declining ridership that eventually resulted in the fiscal collapse of private transit.

The establishment of receiverships and the subsequent dissolution through deficit-financed municipal takeovers had left transit operations with a burden of past debts. This allowed lending institutions to exercise financial control by vetoes and to impose restrictive loan covenants that constrained transportation planning. Everything was done by government policy to promote the automobile, nothing to limit it. What developed was a largely unsystematic, almost accidental relationship between cities and transportation systems. Instead of comprehensive, long-range, publicly determined goals for city development, cities grew haphazardly, and transportation facilities provided largely inadequate service that created transportation barriers between jobs and residences.

⁶ Cases of these practices are all documented in FBI investigations on the Motor Bus Industry and Department of Justice Anti-trust Investigations of General Motors released to me under the Freedom of Information Act. See Glenn Yago, *The Decline of Transit* (New York: Cambridge University Press, forthcoming 1983).

Government surrender to the automobile was achieved by the same large corporate coalition that gave birth to bus conversions and created the highway lobby that informally developed national transportation policy. The highway lobby was created in 1932 by General Motors' President Alfred Sloan, Jr. It linked government agencies and bureaucrats with oil, auto, and transportation firms, and trade associations. Through lobbying, campaign contributions, and the influence of corporate representatives in government, highway building was insulated fiscally and politically from opposition.

But it also spawned a political organizing effort on an extraordinary scale. Local, state, and federal highway officials, private construction firms, truckers, construction material suppliers, gas station owners, car insurance salesmen, and auto users created a political coalition that grew with each new highway appropriation. Auto-related employment, in accordance with Sloan's design, became distributed evenly across the country.

Although the changing economic realities of the past decade make the highway-dominated transportation system, and the absence of balanced transportation, irrational—economically, environmentally, and socially—the highway lobby still dominates transportation by political means.

Every federal administration since the sixties pledged a rebirth of mass transit that never occurred. The Reagan administration's wholesale abandonment of mass transit simply ends the political charade. Political rhetoric praising transit began only in response to neighborhoods and transit consumers who mobilized against the highway bulldozing and protested the budgetary neglect of mass transportation. Federal transportation policies, from Nixon to Carter, pursued the promise of urban mobility without competing with automobiles—a contradictory and impossible task. People movers and electrical sidewalks were supported instead of subways, buses, and van pools as alternatives to streetcars and railroads.

In 1973, Congress approved limited diversions of the highway trust fund to mass-transit uses. The victory for environmentalists, transit consumers, big-city mayors, and Nixon's urban policy was shortlived. The following year the highway lobby succeeded in adding legislative provisions permitting states to spend trust fund monies for road repair instead of mass transit. Later congressional decisions allowed money eliminated from one interstate segment to be substituted for another highway segment elsewhere. At the state level, 28 states approved \$8.2 billion of state highway trust fund diversions, but only \$.08 billion went to nonhighway transportation uses. The lion's share of those transfers went to everything from welfare payments to mosquito control.

Little of the money potentially available for urban mass transit projects was used. Of the \$1.5 billion made available during the 1974-75 fiscal years, only \$140 million was transferred to mass transit. In Minneapolis, for example, only

13 percent of the mass transit funds available were used for that purpose; the rest went for highways and parking lots. In cities considering mass-transit alternatives, the Carter administration pressured for remaining interstate links to be completed, threatening cancellation of federal support unless monies were spent. In 1977, the Comptroller General's office blamed the lack of transit expenditures on "institutional biases" of the state and local governments and the highway lobby's successful efforts to leave intact Federal funding formulas that increased the percentage of federal assistance for highways over that of mass transit.⁷

The combination of vested bureaucratic interests and the power of the highway lobby combined to undercut democratic efforts at modifying transportation policy. A 1976 Department of Transportation study indicated that regional, state, and federal highwaymen overrode local initiatives to diversify transportation spending.⁸ Established bureaucratic procedures in the Federal Highway Administration insured that planning would be concentrated in federal and state highway offices. The language of participatory planning in federal legislation was reinterpreted to emphasize technical factors rather than the social effects of highway construction. Public hearings were organized not as "popular referenda" on highway plans, but as trial balloons for testing local opposition, developing highway support, and constructing a political strategy for a proposed route. Planning control slipped further from municipal hands, and from the influence of the mass-transit public.

Since 1970, subsidies for mass transit have more than tripled, yet ridership continues to decline. Today as many people walk to work as use public transit. Transit subsidies now face wholesale abandonment, largely because they never worked.

Why, in spite of the experience of the energy crisis, decades of transportation policy and planning, and an upsurge in public support for mass transit (indicated in both public-opinion surveys and referenda results), is the U.S. the only advanced industrial nation that has failed to reverse ridership decline? In asking who defined the range of transportation policy options, we might answer why it failed.

The decline of mass transit is not primarily due to the limitations of its service. Rather, it is a consequence of corporate strategy. The only policy measures that receive any public airing are those that do not directly threaten the interests

⁷ Comptroller General of the U.S., *Why Urban System Funds were Seldom Used for Mass Transit* (Washington, D.C.: GPO, March 18, 1977).

⁸ *Urban Systems Study* (Washington, D.C.: Department of Transportation, 1976).

of the highway transportation industry, even though that industry can fairly be said to have indirectly damaged the productive structure of the entire national economy.

The extent to which alternatives are suppressed can be graphically illustrated. In 1979, the Office of Technology Assessment's \$1.4 million report on the future of the automobile studiously avoided consideration of rail alternatives. Advisory panel members included Dr. William G. Agnew, GM Research Labs; Leo Blatz, Exxon; John J. Burne, GEICO (auto insurance); Dr. Lamont Eltinge, Eaton Corporation Research Center (auto parts supplier); Ken Joscelyn, Highway Safety Research Institute; and Archie Richardson, Auto Owners Action Council. As one panel member noted, "it was the auto industry that narrowed the focus of the study to their product."

The National Transportation Policy Study Commission, another congressional multimillion-dollar research effort, concluded that highway expansion and maintenance were preferable to rail development. The Commission's advisory panel included highway lobbyist Gilbert E. Carmichael, National Highway Safety Advisory Committee; William F. Cellini, Illinois Asphalt Pavement Association; Richard L. Herman, Herman Brothers Trucking Company; and James D. Pitcock, William Brothers Construction Company (a highway construction firm). The Commission was headed by Representative Bud Shuster (R-Penn), well-known for his long opposition to auto safety and pollution control measures, and less well-known (as Common Cause has shown) as a major recipient of auto and oil company campaign contributions. Shuster also wrote the section of the Republican party 1980 platform calling for the abandonment of mass transit that has been the keystone of Reagan transportation policy, presided over by Transportation Secretary and former trucking-industry leader Drew Lewis.

For a brief period at the beginning of the seventies, it appeared that rail and mixed-modal systems (rail and bus), might make a comeback. Aerospace firms facing declining military contracts after the Vietnam War looked covetously upon the transit market, but Boeing and Rohr Industries were no match for GM and Exxon in lobbying. In a few cities, locally based businesses that were dependent upon economic growth and were desperate to reverse the falling value of central-city property joined with locally headquartered corporate capital to push for commuter rail systems to revitalize urban centers and stimulate urban growth. However, there was no necessary coincidence between public support for mass transit and corporate needs for coordinated land use and transit corridor development. Rail systems often failed to achieve the promised reduction in auto traffic. They provided an alternative only to a limited portion of the population—upper-income commuters who were likely to use their automobiles anyway. Confronted by continued federal motorization policies, local deficit spending exploded.

Until 1976, subsidies were limited to capital expenditures. Lacking support for operating costs meant that older higher-ridership systems received relatively fewer subsidies. In 1977, the Carter administration rechanneled federal investments almost exclusively toward bus systems, calling rail systems "overdesigned." This coincided with a general antirail initiative that saw proposals for a 43 percent cut in Amtrak and a partial dismantling of the original Conrail system. Rail systems and vehicle research development decreased to a quarter of the Department of Transportation budget. It was replaced by increased funds for bus purchases.

As bus modernization proceeded in the seventies and GM monopolized bus production, bus fleet fuel efficiencies declined and operating costs increased. A variety of government and corporate studies concluded that bus systems and "people movers" (which compete with pedestrians instead of cars) were the only reasonable investment opportunities for public transportation. Both Carter administration officials and Reagan Budget Director David Stockman cited the same cost-benefit studies to argue for rail transit budget cuts.⁹ These research efforts were fatally flawed because of the limited and selective data upon which they were based. Projecting from data concerning ridership that had been compiled before the energy crisis, a General Motors-National League of Cities (as well as a Congressional Budget Office) report claimed that mass transit would inevitably account for only a small proportion of total urban trips (between 5 and 7.5 percent) and that rail lines were less energy-efficient than buses. Anticipating low levels of government spending, buses were projected as the means to

⁹ The hypothetical cost models upon which all of the pro-bus studies are based are fundamentally flawed and require a methodological criticism that can only be briefly suggested. The basic problems with these studies are that they: 1) assume fixed population densities as the basis or projected ridership, thereby ignoring studies showing the impact of transportation development upon land use; 2) they extrapolate current ridership loads into the future to show the expense of rail while ignoring studies that show rail investment would attract greater ridership; 3) construction costs for rail rights of ways are included, while those for buses are not making the construction cost comparisons unequivalent and invalid; 4) the studies ignore benefits of safety, travel time, environmental, and energy savings; 5) they use profit maximization rather than productivity criteria. McShane, Bloch, and Ihlo have examined specific operating systems to examine different efficiency rates between electricity and liquid fuel sources and show rail efficiencies considerably higher than buses in previous governmental and corporate studies (*The Energy Advantages of Public Transportation* [Washington, D.C.: Urban Mass Transit Authority, 1981]). Boris Pushkarev of the Regional Plan Association has utilized input-output data to show that indirect consumption in maintenance, wayside, and construction adds about 40 percent to gross fuel used in vehicle operation for buses.

increase transit use and energy savings. The assumption of these studies was also that transit was limited to nonauto-owning populations—poor, elderly, and handicapped. The lack of competition between public and private modes was, therefore, the result of demand by very different markets; government expenditure on rail transit would interfere with market forces. Utilizing questionable methods of cost estimation, higher operating and energy costs for bus systems were projected, belying actual operating data.

Faulty ridership extrapolations and cost estimations conveniently mask the concrete experience of other countries and cities that encouraged balanced transportation. Since the first energy crisis, Swedish, French, Canadian, and German cities inaugurated new suburban and regional rail systems, integrating them with expanded bus service along appropriate routes. Though these systems required massive investment, they yielded increased gains in transportation system productivity and a reduction of oil-generated balance of payment deficits. Other benefits included increased ridership, substantial reduction in city travel times, traffic safety increases, rising land valuations, employment increases, and environmental improvements. Ridership in Germany, for example, increased up to 60 percent in major cities since 1973. The argument that a separate, noncompetitive transportation market exists is hardly supported by such evidence; instead, the argument perpetuates a system of separate and unequal transportation access.

At this writing, Reagan administration proposals are to phase out all operating subsidies (now about 15.7 percent of transit budgets) by 1984, totally eliminate new rail construction, and reduce all capital expenditures between 15 and 30 percent. This is a watershed in abandoning mass transit, but it grows out of the mistakes of past policies. With reduced federal subsidies, fares have risen on the average of 19 percent in the past year alone, and maintenance and capital expenditures have been cut. Ridership continues to fall. The same conditions that precipitated the collapse of privately owned transit companies before 1950—lack of capital, reduced maintenance and modernization, rising fares, and declining ridership—now threatens surviving transit systems.

Corporate-directed transportation policy has not only destroyed transportation possibilities in the past, but has narrowed future ones as well. Nowhere is this more apparent than in the revolution of public transportation technology. As in other areas of the economy, patterns of capital investment in transportation left the U.S. with the most technologically backward and least efficient transportation system in the industrialized world, characterized by declining investment, employment, cost efficiency, and productivity. The absence of research, development, and technological innovation in rail car, roadbed, and tunnel construction raises total costs.

The decline of public transportation technology has resulted from a combination of factors: corporate failure in product development; governmental neglect of technological innovation; and government investment policies that preserved existing transportation technologies.

Bus technology has been controlled almost exclusively by the monopoly power of General Motors Corporation (which holds over 80 percent of the U.S. bus market). Consequently, U.S. bus technology has fallen considerably behind its European counterparts. As a result of greater competition, Europeans have introduced better fuel efficiencies, articulated buses, and newer suspension systems more than a decade before General Motors' advanced design bus was put into operation.

But if GM's bus innovation efforts are questionable, rail innovations were a disaster. With concrete highways covering many of the old rail right of ways, the cost of constructing new rail corridors is astronomic. Outside those few areas where old corridors have been preserved (San Diego, San Francisco, and Connecticut), the expense of purchasing the right of way is also high. With roadbed construction and maintenance a declining occupation in the United States, labor training and management costs of roadbed construction are higher in the U.S. than elsewhere.

To further complicate matters, the electrical generation systems necessary for rail transit are generally in disrepair. When San Francisco recently assessed its electrical generating capacity for its streetcar system, city consultants found that most of the generators, consisting of rotating machinery and mercury rectifiers, were obsolete before the Depression. Technology has not simply stagnated but disappeared. For example, most signal and car-carried control systems for the new San Francisco system had to be imported from Sweden and West Germany.

Similar problems exist for heavy-rail commuter and subway construction. Because of the lack of underground construction technology, tunneling costs in the United States are between \$ 140 and \$ 160 million a mile as opposed to \$6 million a mile in England. The lack of technological innovation and efficient management practices have been cited by the U.S. Department of Transportation for these immense gaps in construction costs.

Government procurement policies further equipment problems. Each local governmental unit (usually a regional planning body) was able to specify options for rail supplies. This resulted in a complete lack of standardization. With each rail car and control system custom made, cost savings necessary for rail industry development in the seventies was absent. The costs of new rail systems were exorbitant for all but the wealthiest cities (Washington, Atlanta, San Francisco). The lack of standardization also prohibited the future integration of rail systems.

Public investment policies had the effect of freezing transportation tech-

nology at the status quo. Transportation Department investments in technological innovations have been antirail. While \$173 million was spent in research and development on buses and new automated pedestrian travel modes that do not compete with highway traffic (for example, accelerated walkways and people movers), about \$40 million was spent on rail development. Multimillion dollar research and development was squandered on such esoterica as the 300-mile-per-hour Tracked Air Cushion Vehicle and Gravity Vacuum Tube train, while subways and commuter rail vehicles could not maintain an average of 30 mph. More importantly, the combined Urban Mass Transportation Association research budget for all public modes was a fraction of the billions spent on automotive and highway development.

The technological devolution of public transportation is representative of a pattern increasingly common in U.S. industry—the decline of productive technology. Manufacturing not directly linked to the growth of the auto-oil-rubber coalition experienced disinvestment over the past decade. Without capital, technical capabilities faded that might otherwise have enhanced the viability of mass transit.

What has declined is not simply technical expertise, but the industrial capacity to respond to changing structural conditions in politics, the economy, and the environment. With manufacturing capacity overdeveloped in the pursuit of annual automobile style changes, the ability to facilitate more substantial improvements in transportation has withered. Public transportation remains an underdeveloped island in an overspecialized transportation industry dominated by monopoly firms controlling all forms of ground transportation. Moreover, the lead time necessary for developing a public transportation industry and constructing a balanced, efficient, and environmentally sound transportation system is rapidly running out. The long-term debts of a transportation system that promoted short-run corporate profits are now coming due.

Political centralization and economic concentration are the core processes of twentieth-century social organization; they are also its undoing. Centralized planning policies, drained of democratic participation, have promoted monopoly economic power. Both political and economic bureaucracies separately and through their fusion have lost the flexibility necessary to cope with drastically changed urban economic conditions. The largest planning bureaucracy of the modern state was a consequence of federal, state, and local highway building. After the defeat of urban populism, transportation came to be defined as a purely technical problem that only experts could solve; public participation was accordingly excluded. The technical definition of urban transportation also dominated the appointed corporate-directed regional planning authorities and

resulted in large, costly, and ambitious transportation proposals.

A way out of the pitfalls of centralized bureaucratic planning is to decentralize. Currently, localities mostly enforce national transportation policies. Instead, they should be empowered to plan their own systems, integrated at a regional level. Rather than shadowing suburban sprawl, local planning could stabilize and link urban, suburban, and polycentric travel. National transportation agencies should serve as a technical and information resource for elected neighborhood and metropolitan planning boards, rather than providing preordained plans. Experiments in some U.S. cities (San Diego, Madison, and Portland), as well as Italy and France, indicate that increased ridership, auto travel speeds, cost effectiveness, and environmental benefits have resulted. The democratic decentralization of transportation planning could allow consumers to become the planners, rather than the planned. This is quite different from current "New Federalism" proposals that are masking massive public disinvestment and abandonment of transit.

A way out of monopolistic control of the ground transportation industry and its resulting imbalance is to introduce competition between travel modes and their supplier industries. Both the supply and operating transit industries require effective governmental intervention and coordination. The aim of public policies and investment should be to revive transportation markets. While it is easy to see how public monies might be used to subsidize research that would result in greater productivity and employment, and might well be part of a general reindustrialization effort to utilize abandoned plants and equipment, it is essential, from a democratic point of view, not to repeat past policies governing the financing of transportation.

Up until now, transportation has been financed through regressive sales and property taxes, deficit spending, and highway trust funds. These fiscal instruments are as highly regressive as they are overused, resulting in negative income distribution and insulated from public control and market forces. Financing highways through designated rather than general revenues prevented flexible planning, protected highway planners from fiscal pressures, and satisfied large corporate interests in preventing transit viability.

Public transit can be financed through a widely accepted principle of public finance that treats public infrastructural investment in the urban transportation industry as a social expenditure from which many private benefits accrue. Accordingly, an increment of those benefits can justifiably be taxed. There is ample evidence of benefits—value captured by real estate close to transit corridors; publicly subsidized markets and overhead for auto, oil, and rubber products; increased savings in travel time and cost by auto drivers or commercial goods transport through congestion relief; wage subsidies to private employers through low transit fares. The regressive edge of current deficit financing can be removed.

San Francisco is experimenting with special assessment methods rather than property taxes to finance transit improvements. New York and Connecticut have tried, albeit unsuccessfully, due to the lack of federal legislation, to tax gross oil company receipts. France and Italy both tax large employers for the benefits of low fare transit. Such taxes are neither expropriatory nor unjustified, but reflect the need to realistically assess beneficiaries of their fare share of the burden of public costs. The current focus on user taxes ignores the free ride nonusers get from infrastructural investment.

Indirect public savings are also worth considering. There is reliable evidence to indicate that transit's decline posed not only a physical, but also a social barrier to income and employment mobility. Decent transit is an incentive for social participation rather than isolation, enabling workers, unemployed, women, and youth entering the labor force to access employment opportunities.

But innovative public financing or decentralized planning will not alone address the fundamental problem of urban transportation—the political and economic power of large corporations. Vigorous antitrust enforcement is a thing of the past, yet it should be restored to challenge the industrial network of automobile and oil firms in ground transportation.

The motorization of urban transportation led to one of the twentieth century's dead ends. Anyone who has lived through urban congestion, gas station lines, crumbling bridges, street-corner neighborhoods, or the social life of "bedroom" communities longs a bit for what is sometimes considered a romantic past of cars *and* trains, buses *and* streetcars. The issue of transportation is how to bridge the gap between city and town, suburb and countryside, not to see which wins on a demographic scorecard. In continuing to isolate our "living" from our "work," the spatial gaps in our social life will diminish our cities and our lives within them.