### The Competitive Enterprise Institute's AUTOMOBILITY AND FREEDOM PROJECT

The car is under increasing attack as a polluter, gas guzzler, creator of congestion and destroyer of civilized life. These critiques are flawed in many respects. To the extent that they are valid, however, they can be traced to the fact that the car is a privately produced, privately owned technology that operates in a political environment. With few exceptions, streets, roads, and highways are built and managed by government agencies. The resulting conflict of incentives makes cars an easy scapegoat for the consequences of political mismanagement.

In the private world, for example, congestion is viewed as an opportunity rather than a problem. The owner of a newly crowded restaurant expands her facility, adjusts her pricing or creates "Early Bird" specials. Only in the political world is congestion viewed as an intractable problem.

Beneath the flawed critiques of motor vehicles is a more fundamental claim — that automobility is destructive to society. Such views of mobility are not new. The Duke of Wellington, 150 years ago, opposed the growth of railroads because they would "only encourage the common people to move about needlessly." Today, the car is attacked on similar grounds — as fragmenting our communities and making our cities unlivable.

We are in danger of forgetting that there is a basic moral dimension to mobility — to being able to go where we want, when we want.

CEI's *Automobility and Freedom* Project attempts to reestablish this moral dimension, and to examine the possibilities of a fully privatized automobile transportation system.

# The Free Market Automobility Bibliography

#### Foreword

Critiques of the automobile are easy to find; defenses are not. This bibliography attempts to bring together the latter. Its goal is to spur recognition of the fact that car use is justified not only by the actions of hundreds of millions of motorists, but by the work of at least a few scribes as well. If this inspires others to take up this intellectual task, all the better.

Attacks on the car fall into two broad categories: 1) technocratic critiques which focus on particular issues such as congestion and pollution; and 2) systemic critiques which argue that cars are inherently problematic because they represent a preference for the private over the public. On this second view, private automobiles are the very nemesis of "good planning," and should be condemned as irrational, anti-social, and (worst of all, these days) inefficient.

Such charges are nothing new. Over three decades ago Lewis Mumford penned a series of complaints about the disturbing effects of traffic and congestion. In *The Highway and the City* (Mentor, 1964), Mumford maintained that the "highway program will, eventually, wipe out the very area of freedom that the private motorcar promised to retain for them." Moreover, he complained "...the popularity of this method of escape has ruined the promise it once held forth. In using the car to flee from the metropolis the motorist finds that he has merely transferred congestion to the highway and thereby doubled it."

More recently, in *Car Trouble*, Steve Nadis and James Mackenzie (Beacon, 1993) lament contemporary society's "addiction" to cars and the attendant resource depletion and pollution which supposedly accompanies it. But as several of the works in this bibliography demonstrate, there is nothing irrational about the desire of people to drive their own vehicles. On the contrary, as Loren Lomasky and John Semmens emphasize, automobility is integral to our freedom and identity, and this is precisely the point. In his article "Autonomy," Fred Smith suggests that from the perspectives of the critics, "one begins to suspect that the problem with automobiles is that they're too democratic: They let too many people on the road."

Automobility is integral to our freedom and identity, and this is precisely the point. Anti-democratic elitism is old hat when it comes to transportation. Commenting upon the development of railroads over 150 years ago, the Duke of Wellington complained that trains would "only encourage the common people to move about needlessly." This view is not very different from that found in E.F. Schumacher's *Small is Beautiful* (1973), which criticized modern transportation for causing people to become "footloose." In Schumacher's words,

...everything in this world has to have a *structure*, otherwise it is chaos. Before the advent of mass transport and mass communications, the structure was simply there, because people were relatively immobile. People who wanted to move did so; witness the flood of saints from Ireland moving all over Europe. There were communications, there was mobility, but no footlooseness. Now, a great deal of structure has collapsed, and a country is in no way secured. It tilts, and all the load slips over, and the ship founders.

One suspects that for Schumacher the difference between wretched footlooseness and saintly mobility hinged not on anything innate, but on his view of the traveler, her purpose and her destination.

Critiques nowadays are often couched in the language of communitarianism and global ecology. For instance, in 1993 Peter Freund and George Martin combined a variety of complaints in their broad-ranging *The Ecology of the Automobile*. They claim that "auto-centered transport is one expression of how society subsidizes a system of individualized consumption that is highly energy and resource intensive and is not viable on a global or a long-term scale. This individualized mode of consumption has an affinity with, though it is not determined by, the political economy of advanced capitalism."

But as the works in this bibliography show, complaints of society subsidizing motorists are highly questionable. Moreover, they frequently come from advocates of even higher subsidies to mass transit. As for whether individualized mobility "has an affinity with capitalism," one suspects the affinity has less to do with politics than with human nature.

We hope to continually revise this bibliography, and we welcome suggestions for additional entries.

Claire Morgan Sam Kazman April 1996

Over 150 years ago, the Duke of Wellington complained that trains would "only encourage the common people to move about needlessly."

# The Free Market Automobility Bibliography

#### Cars, Markets, and Freedom

Bayley, Stephen, Sex, Drink, and Fast Cars (Pantheon, 1986).

Historical and social account of the way that cars affect our lives. The book explores the meaning of cars, and examines how these meanings are utilized by designers, advertisers, and marketers. Numerous photographs.

Bottles, Scott., L., *Los Angeles and the Automobile* (University of California, 1987). Subtitled "The Making of The Modern City." This historical work explores the development of Los Angeles over a 85 year period.

Brodsky, David L.A. Freeway (University of California Press, 1981).

An "Appreciative Essay" which attempts to "understand" rather than "judge" the LA freeways. Brodsky concludes that freeways make sense, and characterizes driving the freeway as "absolutely central to the experience of living in LA."

Bruce-Briggs, B. *The War Against the Automobile* (Dutton, 1975). Concludes that the auto-highway complex is the best mass-transportation system in the world.

Finch, Christopher, Highways to Heaven (Harper Collins, 1992).

A populist account of the impact of the car on American life-styles, culture, and landscape. Includes photographs.

Flink, James J., The Automobile Age (MIT Press, 1988).

Comprehensive automotive history, drawing on comparative history to explain the rise of the industry and its impact. Flink explores such interrelated themes as technological evolutions, the development of mass production techniques, business organization and marketing strategies, and contemporary culture, with an emphasis on the role of human choice in history.

Garreau, Joel, Edge City (Anchor, Doubleday, 1991).

A journalistic account of the transformation of American metropolitan society. Subtitled "Life on the new Frontier," Garreau explores the automobiles' role in the creation of new and vigorous unplanned cities outside older urban areas. The book includes some fascinating details on the principles of shopping mall design.

Lomasky, Loren E., "Autonomy and Automobility" (The Competitive Enterprise Institute, June 1995). A philosopher's view on the fundamental nature and attributes of automobility. Lomasky contends that many of the virtues of car use are not captured by traditional cost-benefit calculations. His analysis, grounded in an Aristotelian framework, centers around increased choice, knowledge, privacy and control. He concludes that the hostility of planners to the car stems from its enabling function with respect to autonomy.

Owens, Wilfred, Strategy for Mobility (The Brookings Institution, 1964).

Traces the relationship between transport and the standard of living. Owens argues that transport plays a special role in facilitating the complex process of development. He proposes an increase in international cooperation in transport strategy.

Rae, John, B., The American Automobile, A Brief History (University of Chicago, 1965).

"Originating in Europe, the automobile acquired novel forms in the United States. Here within a halfcentury, although it still remained in most of Europe a toy for the few, it had become a new social force touching everybody — an expression of and an instrument for speedy movement around and across the continent and up the social scale. When before has a civilization found so powerful a catalyst?" (From the preface by Daniel Boorstin.)

Roth, Gabriel, Roads in a Market Economy (Ashgate, 1995).

A rare book which argues for the private provision of roads in place of the current system of command and control. Roth examines such problems as congestion and inadequate maintenance as characteristic features of central planning, and explains why personal mobility is important; includes analysis of the UK and US.

Smith, Fred L., "Autonomy," Reason, Aug/Sept. 1990.

An examination of the benefits of "the most democratic form of transportation." Smith argues much of the antagonism directed towards cars is rooted in the snobbery of the well-educated and the well-to-do. "...their hostility to the automobile is simply a manifestation of their larger hostility toward unfettered American individualism."

Yates, Brock, The Decline and Fall of the American Automobile Industry (Empire, 1983).

While a supporter of the car industry as a whole, this leading automotive journalist examines the myopia of the Big Three auto makers. The author argues that the hierarchy in the Detroit suburbs failed.

### **Regulatory Potholes**

Adler, Jonathan H., "Evaluating the Employee Commute Option (ECO): Can ECO Make Economic Sense?" Competitive Enterprise Institute, April 1994.

This paper criticizes the ECO, the main part of the vehicle miles traveled (VMT) provision as being "one of the more burdensome and least cost-effective elements of the Clean Air Act Amendments." To reduce costs, Adler suggests the introduction of tradeable pollution permits. Government officials should reexamine existing policies that discourage the use of alternative commuting options. If some type of air quality standards are to be met, then they should be more flexible and take differences between the states into account.

Cameron, Michael W., "Efficiency and Fairness on the Road" (Environmental Defense Fund, 1994). Subtitled "Strategies for Unsnarling Traffic in Southern California," the author proposes a market alternative to correct the current system's inefficiencies. Taking the standard EDF approach to road use of claiming that the real costs of driving are either subsidized or otherwise hidden from travellers, Cameron nonetheless proposes a new system which would encourage private transportation alternative.

Hibbs, John, "On the Move...A Market for Mobility on the Roads," *Hobart Paper* 121, Institute of Economic Affairs, 1993.

A critique of the British transportation system using public choice analysis, focusing on privatization.

Poole, Jr., Robert W., "Revitalizing State and Local Infrastructure: Empowering Cities and States to Tap Private Capital and Rebuild America," Reason Foundation, *Policy Study* No. 190, May 1995. The study not only argues in favor of privatization of infrastructure, but also tries to sort out means for dealing with local and statewide policies which have a bias toward government ownership. For instance, various tax breaks are offered to the public, but not the privately owned enterprises. These policies obscure many of the benefits which would be realized under a privately funded scheme. Long and short term reforms are proposed.

Samuel, Peter, "Highway Aggravation: The Case for Privatizing the Highway," *Cato Institute Policy Analysis* No. 231, June 27, 1995.

The author claims that the time is right for progressively privatizing highways and creating markets in highway service. Several states already have begun to do so. Private highway projects in those states are discussed in detail. Privatization would help reduce budget deficits, lower taxes, and use more flexible technologies to (e.g.) vary toll rates to encourage less peak-hour travel, thereby reducing congestion.

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Savas, E.S., "Getting Around New York," City Journal, Summer 1993.

Private alternatives for New York City's public transit system. The author proposes that the city can be more efficient if it increases its reliance on market forces through contracting out routes, establishing a system of variable tolls and fares that reflect the costs of transit facilities.

Savas, E.S., and Cantarella, Anthony, "A Comparative Study of Public and Private Bus Operations in New York City", US Dept. of Transportation, July 1992.

The study compares the relative performance of public and private bus service in New York City, with the objective of encouraging prudent privatization using competitive bidding to create an environment where both the public and private sectors compete fairly to serve particular routes.

#### **Pollution and Car Emissions**

Adler, Jonathan H., "Reforming Arizona's Air Pollution Policy," Arizona Issue Analysis Report #127 (Goldwater Institute, January 1993).

The paper reports that Arizona's existing air quality measures are failing. Adler proposes that, given the nature of the problem and that facilities vary, policies should be more flexible. Emissions-control regulations should target the greatest sources of emissions for reduction, and enhance flexibility so as to minimize the costs of compliance. One of the measures he recommends is on-road emissions testing.

Adler, Jonathan H., "Implementing the U.S. Clean Air Act in Arizona," Arizona Issue Analysis Report#123, (Goldwater Institute, February 1992).

The paper outlines compliance problems for Maricopa County, Arizona, in meeting the federal requirements of the 1990 Clean Air Act Amendments. Since conventional approaches to air pollution are not considered to be cost-effective, Adler suggests that policy makers pay attention to the fact that approximately 10% of motor vehicles produce the majority of vehicular emissions, and direct their efforts accordingly. He suggests scrapping older, more polluting vehicles, on-road emissions testing, and implementation of emissions charges on motor vehicles so that those who impose the cost of pollution bear the cost.

Harrington, Winston, Walls, Margaret A., and McConnell, Virginia, "Shifting Gears: New Directions for Cars and Clean Air," *Discussion Paper* 94-26 (Resources for the Future, 1994).The paper argues that the 1990 Clean Air Act Amendments, while recognizing many of the

drawbacks of earlier policies, also have provisions that may impose high costs and result in little progress toward air quality goals. Includes some cost-benefit analysis and discussion of mobile source emissions.

Jones, K.H. and Adler, Jonathan, "Time to Reopen the Clean Air Act: Clearing Away the Regulatory Smog" (Cato Institute, July 1995).

"National policy on the control of urban smog is misguided because it fails to account for current pollution trends and is based on anomalous meteorological conditions. Although new data on smog have shown that the trends are continuing downward, the Environmental Protection Agency is doing nothing to halt regulatory overkill."

Klein, Daniel, and Saraceni, Christina, "Breathing Room," Reason, June 1994.

A survey of various reports, studies, and policies in California dealing with "smog check" policy and requirements for meeting Clean Air standards. The article relates tussles with the EPA over attempts to introduce use of Donald Stedman's mobile emissions sensing device.

The Free Market Automobility Bibliography

Krupnick, Alan J., "Vehicle Emissions, Urban Smog, and Clean Air Policy" (Resources for the Future, 1992).

After discussing why he believes reductions in emissions standards have not taken place, the author proposes a series of alternative strategies for reducing emissions, and meeting ozone standards, paying particular attention to their cost-effectiveness. Policies recommended include utilizing high-tech monitoring of vehicle emissions and the location and timing of driving.

Moretti, Frank, "Mobility and Air Quality," The Road Information Program, December 1993.

In the wake of the 1990 Clean Air Act Amendments and the 1991 Intermodel Surface Transportation Efficiency Act, the study finds that due to cleaner cars and trucks, overall pollution has diminished despite continuing increases in travel.

Semmens, John, "The Environmental Assault on Mobility," The Freeman, August 1995.

A critical analysis of the government's current approach to transportation and pollution policy. Semmens derides the dependence of policy makers on inaccurate air-quality "models," and their goal of discouraging travel as a solution to pollution problems. Semmens proposes the use of mobile sensoring to effectively reduce pollution levels, and the use of congestion pricing to clear peak-hour traffic jams.

#### **Risk, Safety, and Energy Conservation**

Adams, John, Risk, (University College London Press, 1995).

A comprehensive analysis of risk, including discussion of risk compensation and cultural theory. Two chapters are devoted to road safety.

Adams, J.G.U., "Public Safety Legislation and the Risk Compensation Hypothesis: The Example of Motorcycle Helmet Legislation," *Environment and Planning C.*, Vol. 1, 1983.
Evidence examined in this article suggests that the effect, if any, of helmet legislation on motorcycling fatalities is perverse. The 'risk compensation theory' is offered as a possible explanation of the available evidence.

Barbarick, Richard, "Government Highways: Unsafe at Any Speed," *The Freeman*, June 1993. Criticizes government ownership and management of the roads because of their abysmal safety and efficiency records. Barbarick claims this degree of incompetence would be unthinkable in a privatized system. He suggests various private innovations including congestion pricing, and private licensing to replace the current system.

Competitive Enterprise Institute v. National Highway Traffic Safety Administration, 956 F.2d 321 (D.C. Cir. 1992).

In this challenge to the federal government's handling of the CAFE program, a federal court ruled that an agency whose middle name is safety illegally concealed CAFE's lethal effects through a combination of "fudged analysis," "statistical legerdemain," and "bureaucratic mumbo jumbo."

Crandall, R., and Graham, J., "The Effect of Fuel Economy Standards on Automobile Safety," *Journal of Law & Economics*, April 1989, pp. 97-118.

The article estimates the effects of the Corporate Fuel Economy Standards (CAFE) program on the average weight of new automobiles, the mix of large and small vehicles sold in the US, and the ultimate impact of this new fleet size on vehicle safety. The empirical results of a 27.5 mpg CAFE standard will be responsible for several thousand additional fatalities over the life of each model-year's cars. The authors conclude that the real social cost of government-mandated fuel economy is much greater than is commonly believed.

Evans, Leonard, Traffic Safety and the Driver (Van Nostrand Reinhold, 1991).

Written by one of the world's top traffic safety experts, this book offers a technical yet accessible account of driving. Explores areas such as car crashes, engineering and environmental factors, the demands of driving and drivers personality factors that affect response, impairment factors (alcohol, drugs, and sleep deprivation, the success or failure of countermeasures, possible safety techniques). Includes well documented references. (Also includes a critique of risk compensation theory.)

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Graham, John D., "The Safety Risks of Proposed Fuel Economy Legislation," *RISK*, Issues in Health and Safety, Vol.3, Issue 2, 1992.

Graham concludes that proposals to raise CAFE to 40 mpg are likely to add 1650 fatalities and 8500 serious accidents to the annual highway toll. He presents several short-term and long-term strategies for simultaneously saving fuel and lives.

Inhaber, Herbert and Saunders, Harry, "Road to Nowhere," The Sciences, November/December 1994.

The paper argues that energy conservation often backfires and leads to increased consumption. Using the analogy of William Jevons' analysis of the coal driven steam engines in the last century, the authors argue that contrary to many conservationists' arguments, fuel economy often tends to promote increased usage. Moreover, conservation arguments are frequently shortsighted in broader terms. For instance, Harry Johnson, an economist, has suggested that such a policy would have been disastrous in the nineteenth century. In the 1870s wood accounted for about 90% of the fuel consumed in the U.S. If people had been persuaded by the conservationists, nineteenth century society would have been almost unaffected.

Murray, Charles, In Pursuit of Happiness and Good Government (Institute of Contemporary Studies Press, 1994).

See especially the discussion beginning on p. 147: "The Pursuit of Happiness and the 55-MPH Speed Limit." Murray uses the debate over this law as a model for analyzing regulatory approach and individual choice.

Orr, Lloyd, D., "Incentives and Efficiency in Automobile Safety Regulation," Quarterly Review of Economics & Business, Vol. 22, No.3, Autumn 1982.

Like Wilde, Orr maintains that drivers will modify their behavior in response to technical safety improvements. He believes danger compensation is relevant for other areas of social policy, especially in health and safety where the nature of risk is well known and substantially controlled by the individual.

Wilde, Gerald J.S., "The Theory of Risk Homeostasis: Implications for Safety and Health," *Risk Analysis*, Vol. 2, No.4, 1982, p. 210.

The article emphasizes the importance of accounting for human behavior in risk analysis. Wilde states "the only factor that appears to determine the long-term level of subjective and objective risk is the target level of risk, which, in turn, is dependent upon the individual's evaluation of the costs and benefits of various action alternatives."

#### Is Driving Subsidized?

Beshers, Eric W., "External Costs of Automobile Travel and Appropriate Policy Responses," *Highway* Users Federation, March 9, 1994.

Counters the claim that gas taxes and toll fees do not fully pay for highway construction and maintenance, and that drivers are subsidized when they use their motor vehicles. Ninety-nine percent of costs are found to be recouped through various taxes, including fuel taxes and tolls. The paper recognizes the enormous social and economic benefits of motor vehicle travel which other studies focusing on costs typically ignore (e.g. Freedom, privacy, etc.).

Dougher, Royola S., Estimates of Annual U.S. Road User Payments Versus Annual Road Expenditures, American Petroleum Institute, March 1995).

Reports that, contrary to popular claims, drivers are not being subsidized by revenue from other sources. Rather, the opposite is true — drivers are subsidizing other activities.

Green, Kenneth, "Defending Automobility: A Critical Examination of the Environmental and Social Costs of Auto Use" (Reason Foundation, Dec. 1995).

Finds that, of the multitude of uncompensated automotive externalities claimed to exist, only three have any real plausibility: air pollution health effects; employer-provided parking subsidies; and unrecovered accident costs involving non-users. Existing auto-use fees may already cover these effects.

## **Civil Rights & Automobility**

Dressman, Frances, "Yes, We Have No Jitneys!' Transportation Issues in Houston's Black Community, 1914-1924," *The Houston Review*, Vol. 9 (1987), p. 69.

Dressman notes that apart from their convenience, the jitneys were welcomed because they offered the means to protest the inequities of segregation on the streetcars via boycotts. For a time the jitneys became an important part of the Black community's social and political system. Their demise was brought about by complaints from the local streetcar company which was not willing to compete with the jitneys. As a result, the local council ordered a gradual discontinuation of the jitney service which terminated in the law passed in 1924.

Garvin, Glenn, "Flouting the Law, Serving the Poor," Reason, June/July, 1985.

A contemporary account of the underground economy of jitneys in Pittsburgh by an investigative journalist. Garvin says "these illicit taxis are...a remarkable example of entrepreneurs operating successfully in an underground economy, serving Pittsburgh's poor and minorities. The jitneys set their own rates and routes, offer a startling array of services unmatched by any of Pittsburgh's legal transportation companies, and are cheaper than their legal competitors."

Robinson, Jo Ann Gibson The Montgomery Bus Boycott and the Women Who Started It (University of Tennessee Press, 1987).

A first-hand account of the events and strategies leading up to the boycott, as well as a detailed analysis its accomplishments. The book outlines the highly organized system of jitneys and private cars that the black community arranged in order that they could continue with their lives.

## Insurance, Electric Cars, etc.

Dougher, Rayola S. and Hogarty, Thomas F., "Paying for Automobile Insurance at the Pump: A Critical Review," American Petroleum Institute, December 1994.

The report refutes many of the claims for "pay at the pump insurance," which would replace a multiple risk-based system with one based on across-the-board gasoline surcharges.

Gordon, Peter and Richardson, Harry, W., "The Case Against Electric Vehicle Mandates in California," Reason Foundation, *Policy Study* No. 189, May 1995.

Concludes that California's EV mandate would frustrate consumer preferences, entail large subsidies to pay for the new refueling infrastructure, and encourage owners to keep their old cars longer, thus wiping out any air quality gains.

Walls, Margaret A., Krupnick, Alan, J., and Hood, H., Carter, "Estimating the Demand for Vehicle-Miles-Traveled Using Household Survey Data: Results from the 1990 Nationwide Personal Transportation Survey," *Resources for the Future*, September 1993.

The study documents the relationship between increased vehicle ownership and vehicle use using modeling techniques.