



LEO J. SHAPIRO & ASSOCIATES LLC.

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How Much Less Driving

Most car and light truck owners are now doing less driving, and signs are that it is becoming less and less. A national study conducted in early June by Leo J. Shapiro & Associates finds that 79% of households owning a car or light truck report cutting back on driving. This percentage stood at just 61% in February of this year.

Between 2006 and 2007, the median annual mileage that Americans put on their newest car dropped from 15,300 miles to 13,900 miles – a 9% decline. All signs point to that decline continuing, despite the fact that Americans are beginning to replace their cars and light trucks with more fuel-efficient vehicles.

Just four months ago, in February, the Shapiro study found that motorists were planning to downsize annual mileage on their newest car in 2008 to a median of 13,200. Over the next four months, this expectation dropped by an additional 2,300 miles to a median of 10,900 expected miles on their newest car. Between February and June, the average national price of a gallon of gas rose a full \$1.00 to \$4.08.

The increasing push to drive fewer miles occurs even though estimated average miles per gallon is increasing. In February of this year, it was 22.6 mpg; it now stands at 25.1 mpg in June.

It may well be that, as America gradually exchanges its fleet of cars for vehicles that deliver substantially more fuel efficiency, miles being driven will not increase. Adaptation to paying \$4 per gallon for gas – and, prospectively, \$5 per gallon or even more – is redefining the need to drive as people shop closer to home, bundle trips for goods and services, order online, and rethink their social activities to limit travel, and even rethink where they live and where they work.

A byproduct of these adaptations is a saving of time, a precious commodity for motorists. Car ownership was originally motivated to save travel time. Now, adaptation to high gas prices is reversing the means by which time is saved, namely by driving less.

The changes in our urban society, characterized by low density suburban sprawl around central cities, will begin to reconfigure metropolitan areas. Urban sprawl is a consequence of

automobile ownership and supporting expressway infrastructure. Adaptation to the high price of gas is causing metropolitan areas to congeal, as population returns to central cities and suburbs become satellites supported by adjacent industry and commerce.

The map of America, which changed so profoundly following WWII and in the Baby Boomer years, stands to change once again after a 75-year span of urban sprawl.

Adaptation to high gas prices may have substantial impact on how America's increasingly diversified population distributes within metropolitan areas. With nearly a third of the population comprised of people of color and Hispanics, patterns of residential segregation will change. The change is likely to create diversification of suburban populations, as real estate values in the central city rise and decline in the suburbs, providing more opportunities for homeownership to citizens of color and Hispanics in the congealing urban sprawl.

Educational systems will benefit when parents can devote time saved shopping and commuting to their children's education and schools. Diversification of schools serving a rising middle class of Hispanic, African-American and Asian homeowners stands to elevate educational standards and accountability.

It is now becoming possible that high gas prices will help to solve some of our most egregious social ills, the problems of public education and increasingly fragile families, by liberating time for our children and each other. The benefits of learning to drive less are so compelling that cars, no matter how fuel efficient, may never return Americans to the robust driving done over the past seventy-five years.

*For more information on studies underlying this report,
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