

I. THE NATION SERVED BY FREIGHT

The Nation's 117 million households, 7.6 million business establishments, and 89,500 governmental units are part of an enormous economy that demands the efficient movement of freight. While the U.S. economy has been affected by the recent global recession, it is expected to recover and continue to grow. Long-term economic growth will result in even greater demand for freight transportation.

Freight transportation has grown over time with the expansion of population and economic activity within the United States and with the increasing interdependence of economies across the globe. The U.S. population grew by 34 percent between 1980 and

Table 1-1. Economic and Social Characteristics of the United States: 1980-2008

	1980	1990	2000	2007	2008	Percent change, 1980 to 2008
Resident population (thousands)	226,546	248,791	281,425	(R) 301,580	304,375	34.4
Households (thousands)	80,776	93,347	104,705	116,011	116,783	44.6
Median household income (2000 \$)	35,057	38,257	41,990	41,454	40,233	14.8
Civilian labor force (thousands)	106,940	125,840	142,583	153,836	154,287	44.3
Employed ¹ (thousands)	99,303	118,793	136,891	146,047	145,362	46.4
Agriculture, forestry, fishing, and hunting (percent)	NA	1.9	1.8	1.4	1.5	NA
Mining	NA	0.5	0.3	0.5	0.6	NA
Construction	NA	6.9	7.3	8.1	7.5	NA
Manufacturing	NA	16.8	14.4	11.2	10.9	NA
Wholesale and retail trade	NA	14.7	14.6	14.3	14.2	NA
Transportation and utilities	NA	5.1	5.4	5.2	5.3	NA
Information	NA	2.9	3.0	2.4	2.4	NA
Financial activities	NA	7.1	6.8	7.2	7.0	NA
Professional and business services	NA	9.4	10.0	10.7	10.7	NA
Education and health services	NA	17.5	19.1	21.0	21.6	NA
Leisure and hospitality	NA	8.0	8.2	8.5	8.8	NA
Other services	NA	4.3	4.7	4.8	4.8	NA
Public administration	NA	4.7	4.5	4.6	4.7	NA
Business establishments (thousands)	NA	6,176	7,070	7,705	7,601	NA
Governmental units ²	³ 81,831	⁴ 85,006	⁵ 87,576	89,527	NA	NA
Gross domestic product (millions of 2000 \$)	(R) 5,839,000	(R) 8,033,900	(R) 11,226,000	(R) 13,254,100	13,312,200	128.0
Foreign trade (millions of 2000 \$)	631,335	1,168,168	2,572,000	3,399,774	3,776,712	522.5
Goods (percent)	74.0	71.6	78.8	78.7	77.0	4.0
Services (percent)	26.0	28.4	21.2	21.3	23.0	-11.4

Key: NA = not available; R = revised.

¹Based on the 2002 Census Industry Classification system. Data for 1990 do not appear in the source document; they are estimated using the Bureau of Labor Statistics crosswalk from the 1990 Census Industry Classification system to the 2002 Census Industry Classification system.

²Data for governmental units come from the Census of Governments, which is collected every five years.

³1982

⁴1992

⁵2002

TABLE 1-1. ECONOMIC AND SOCIAL CHARACTERISTICS OF THE UNITED STATES: 1980-2008

Sources: Population: U.S. Department of Commerce, Census Bureau, *Population Profile of the United States*, available at www.census.gov/population/www/pop-profile/profile.html as of August 9, 2010. **Households:** U.S. Department of Commerce, Census Bureau, *Families and Living Arrangements*, table HH-1, available at www.census.gov/population/www/socdemo/hh-fam.html as of August 9, 2010. **Civilian Labor Force:** U.S. Department of Labor, Bureau of Labor Statistics, *Labor Force Statistics from the Current Population Survey*, available at www.bls.gov/data as of August 9, 2010. **Employment:** U.S. Department of Labor, Bureau of Labor Statistics, *Current Employment Statistics*, available at www.bls.gov/ces as of August 9, 2010. **Median household income:** U.S. Department of Commerce, Census Bureau, *Historical Income Tables*, table H-6, available at www.census.gov/hhes/income/histinc/h06ar.html as of August 9, 2010. **Business establishments:** U.S. Department of Commerce, Census Bureau, *County Business Patterns*, available at www.census.gov/epcd/cbp/view/cbpview.html as of August 9, 2010. **Governmental units:** U.S. Department of Commerce, Census Bureau, *Census of Governments*, available at www.census.gov/govs as of August 9, 2010. **Gross domestic product and foreign trade:** U.S. Department of Commerce, Bureau of Economic Analysis, *National Income and Product Accounts Tables*, tables 1.1.5, 1.1.6, and 4.2.4, available at www.bea.gov/national/FA2004/index.asp as of August 9, 2010.

2008 while the economy, measured by Gross Domestic Product (GDP), more than doubled in real terms. Household income, another indicator of economic growth, also rose by 15 percent. Foreign trade grew faster than the overall economy, quintupling in real value between 1980 and 2008, reflecting unprecedented global interconnectivity.

Table 1-2. Population and Gross Domestic Product (GDP) by Region: 1980-2008

	1980	1990	2000	2007	2008	Percent change, 1980 to 2008
Resident Population (thousands)	226,549	248,789	282,172	(R) 304,375	(R) 304,375	34
Northeast	49,136	50,828	(R) 53,930	(R) 55,060	(R) 55,060	12
Midwest	58,868	59,670	(R) 64,815	(R) 66,596	(R) 66,596	13
South	75,372	85,454	(R) 101,869	(R) 112,021	(R) 112,021	(R) 49
West	43,173	52,837	(R) 64,467	(R) 70,698	(R) 70,698	64
GDP (millions of 2000 \$)¹	5,054,549	6,994,329	9,749,103	11,439,232	11,523,637	128
Northeast	1,107,283	1,604,121	2,077,436	2,410,543	2,439,675	120
Midwest	1,262,917	1,566,939	2,174,719	2,367,972	2,376,526	88
South	1,608,531	2,220,755	3,212,076	3,883,705	3,907,737	143
West	1,075,817	1,602,514	2,284,873	2,776,103	2,797,637	160
GDP per capita (millions of 2000 \$)¹	22,311	28,113	34,550	(R) 37,583	(R) 37,860	70
Northeast	22,535	31,560	(R) 38,521	(R) 43,780	(R) 44,309	97
Midwest	21,453	26,260	(R) 33,552	(R) 35,557	(R) 35,686	66
South	21,341	25,988	(R) 31,532	(R) 34,669	(R) 34,884	(R) 63
West	24,919	30,329	(R) 35,442	(R) 39,267	(R) 39,572	(R) 59

Key: R = revised.

¹As of October 26, 2006, the Bureau of Economic Analysis renamed the gross state product (GSP) series to gross domestic product (GDP) by state.

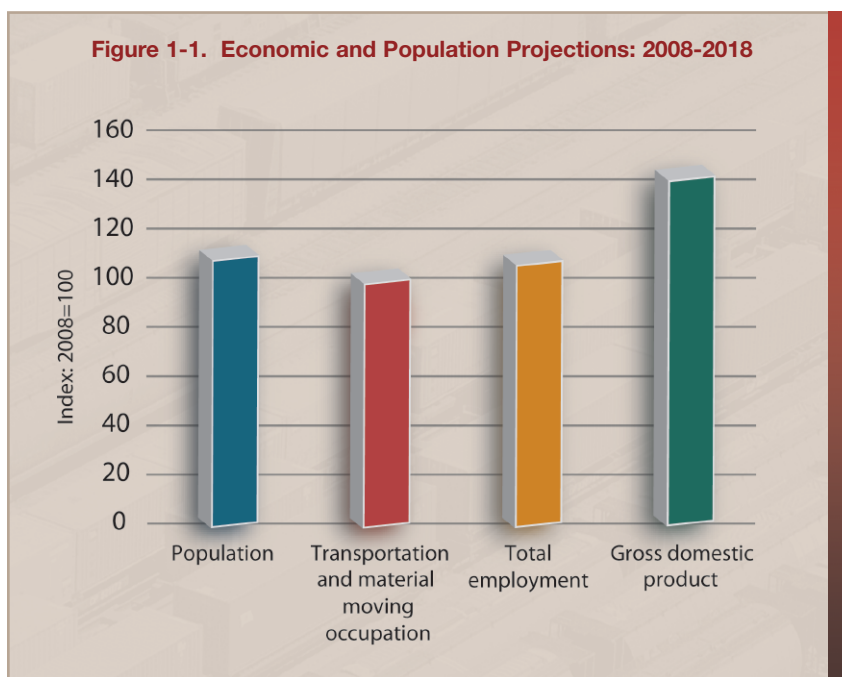
Notes: Numbers may not add to totals due to rounding. Chained dollars are not additive, especially for periods farther away from the base year of 2000. Because of this, GDP for all regions is not equal to total GDP.

Although freight moves throughout the United States, the demand for freight transportation is driven primarily by the geographic distribution of population and economic activity. While both population and economic activity have grown faster in the West and South than in the Northeast and Midwest, the growth in economic activity per capita has been highest in the Northeast.

TABLE 1-2. POPULATION AND GROSS DOMESTIC PRODUCT (GDP) BY REGION: 1980-2008

Sources: Population: 1980-1990: U.S. Department of Commerce, Census Bureau, *Statistical Abstract of the United States: 2004-2005* (Washington, DC: 2005); **2000-2008:** U.S. Department of Commerce, Census Bureau, Population Division, Annual Population Estimates, table 8, available at www.census.gov/popest/states/NST-ann-est.html as of July 2, 2010. **Gross Domestic Product: 1980-1990:** U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Accounts, available at www.bea.gov/regional/as of June 11, 2004; **2000-2008:** U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Accounts, available at www.bea.gov/regional/ as of July 2, 2010.

The U.S. economy, as measured by GDP, is projected to increase by 46 percent and the U.S. population by 10 percent between 2008 and 2018. Employment in transportation and material-moving is expected to increase by 4 percent over this period,



which is less than employment as a whole. These projections are based on long-term U.S. economic trends.

FIGURE 1-1. ECONOMIC AND POPULATION PROJECTIONS: 2008-2018

Sources: **Population:** U.S. Department of Commerce, Census Bureau, *National Population Projections*, available at www.census.gov/population/www/projections/summarytables.html as of April 25, 2010. **Employment:** U.S. Department of Labor, Bureau of Labor Statistics, *Employment by Major Industry Division, 1998, 2008, and projected 2018*, available at www.bls.gov as of April 25, 2010. **GDP:** Congressional Budget Office, *The Budget and Economic Outlook: Fiscal Years 2009 to 2020*, available at www.cbo.gov as of April 25, 2010.