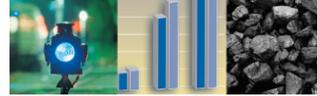


I. THE NATION SERVED BY FREIGHT



The Nation's 116 million households, 7.7 million business establishments, and 89,500 government 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 fully 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 33 percent between 1980 and

Table 1-1. Economic and Social Characteristics of the United States: 1980-2007

	1980	1990	2000	2006	2007	Percent change, 1980 to 2007
Resident population (thousands)	226,546	248,791	281,425	(R) 298,362	301,290	33.0
Households (thousands)	80,776	93,347	104,705	114,384	116,011	43.6
Median household income (2000 \$)	35,057	38,257	41,990	41,168	41,454	18.2
Civilian labor force (thousands)	106,940	125,840	142,583	152,677	153,836	0.0
Employed ¹ (thousands)	99,303	118,793	136,891	144,427	146,047	47.1
Agriculture, forestry, fishing, and hunting (percent)	NA	1.9	1.8	1.5	1.4	NA
Mining	NA	0.5	0.3	0.5	0.5	NA
Construction	NA	6.9	7.3	8.1	8.1	NA
Manufacturing	NA	16.8	14.4	11.3	11.2	NA
Wholesale and retail trade	NA	14.7	14.6	14.8	14.3	NA
Transportation and utilities	NA	5.1	5.4	5.2	5.2	NA
Information	NA	2.9	3.0	2.5	2.4	NA
Financial activities	NA	7.1	6.8	7.3	7.2	NA
Professional and business services	NA	9.4	10.0	10.3	10.7	NA
Education and health services	NA	17.5	19.1	20.7	21.0	NA
Leisure and hospitality	NA	8.0	8.2	8.4	8.5	NA
Other services	NA	4.3	4.7	4.9	4.8	NA
Public administration	NA	4.7	4.5	4.5	4.6	NA
Business establishments (thousands)	NA	6,176	7,070	7,601	7,705	NA
Governments ²	³ 81,831	⁴ 85,006	⁵ 87,576	NA	89,527	NA
Gross domestic product (millions of 2000 \$)	5,161,700	7,112,500	9,817,000	(R) 11,294,800	11,523,900	123.3
Foreign trade (millions of 2000 \$)	631,335	1,168,168	2,572,000	(R) 3,246,608	3,399,774	438.5
Goods (percent)	74.0	71.6	78.8	79.2	78.7	6.3
Services (percent)	26.0	28.4	21.2	20.8	21.3	-18.1

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 governments 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: 1980-2007

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 September 17, 2009. **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 September 17, 2009. **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 September 17, 2009. **Employment:** U.S. Department of Labor, Bureau of Labor Statistics, Current Employment Statistics, available at www.bls.gov/ces as of September 17, 2009. **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 July 30, 2009. **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 5, 2009. **Governments:** U.S. Department of Commerce, Census Bureau, Census of Governments, available at www.census.gov/govs as of September 17, 2009. **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 July 30, 2009.

2007 while the economy, measured by Gross Domestic Product (GDP), more than doubled in real terms. Household income, another indicator of economic growth, also has risen by 18 percent. Foreign trade grew faster than the overall economy, quadrupling in real value between 1980 and 2007, 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	(R) 282,172	(R) 301,290	304,060	34
Northeast	49,136	50,828	(R) 53,667	(R) 54,762	54,925	12
Midwest	58,868	59,670	(R) 64,493	(R) 66,313	66,561	13
South	75,372	85,454	(R) 100,558	(R) 110,335	111,719	48
West	43,173	52,837	(R) 63,454	(R) 69,881	70,855	64
GDP (millions of 2000 \$)¹	5,054,549	6,994,329	(R) 9,749,103	(R) 11,439,232	11,523,637	128
Northeast	1,107,283	1,604,121	2,077,436	(R) 2,410,543	2,439,675	120
Midwest	1,262,917	1,566,939	2,174,719	(R) 2,367,972	2,376,526	88
South	1,608,531	2,220,755	3,212,076	(R) 3,883,705	3,907,737	143
West	1,075,817	1,602,514	2,284,873	(R) 2,776,103	2,797,637	160
GDP per capita (millions of 2000 \$)¹	22,311	28,113	(R) 34,550	(R) 37,967	37,899	70
Northeast	22,535	31,560	(R) 38,710	(R) 44,019	44,418	97
Midwest	21,453	26,260	(R) 33,720	(R) 35,709	35,704	66
South	21,341	25,988	(R) 31,942	(R) 35,199	34,978	64
West	24,919	30,329	(R) 36,008	(R) 39,726	39,484	58

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.

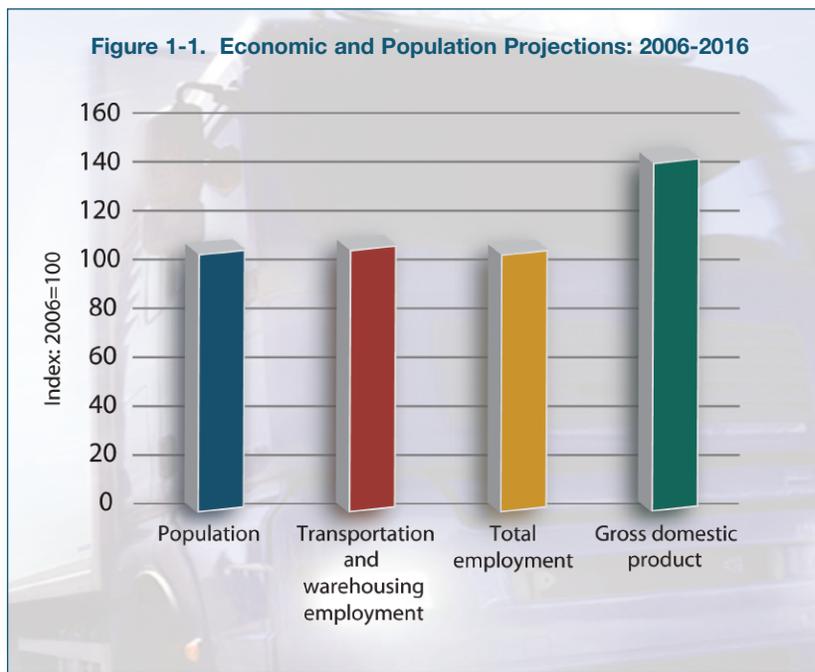
Although freight moves throughout the United States, the demand for freight transportation is driven primarily by the geographic distribution of population and economic activity. While both population and economic activity have grown faster in the West and South than in the Northeast and Midwest, the 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 June 15, 2009. **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 June 15, 2009.

The U.S. economy, as measured by GDP, is projected to increase by 44 percent and the U.S. population by 10 percent between 2006 and 2016. Transportation and warehousing employment is expected to increase by 11 percent over this period,



about the same as employment as a whole. These projections are based on long-term U.S. economic stability and growth.

FIGURE 1-1. ECONOMIC AND POPULATION PROJECTIONS: 2006-2016
Sources: **Population:** U.S. Department of Commerce, Census Bureau, National Population Projections, available at www.census.gov/population/www/projections/summarytables.html as of September 17, 2009. **Employment:** U.S. Department of Labor, Bureau of Labor Statistics, Employment by Major Industry Division, 1996, 2006, and projected 2016, available at www.bls.gov as of April 15, 2009. **GDP:** Congressional Budget Office, *The Budget and Economic Outlook: Fiscal Years 2007 to 2016*, available at www.cbo.gov as of September 17, 2009.

