

# How Chicago Local Government Addresses Wealth Inequality and Its Effect Through Public Transportation

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Urban wealth inequality is a pervasive challenge in many global cities, and inequalities and disparities in transportation often exacerbate the problem. Proper public transport policies can play a key role in alleviating or even addressing this inequality. This paper examines how the city of Chicago reduces wealth inequality measured by employment accessibility and commuting time through two key transportation initiatives in the Strategic Plan for Transportation 2021 of Chicago. The first policy is to expand transit access by coordinating service between the Chicago Transit Authority (CTA), Metra and Pace. The second policy is Bring Divvy to Every Neighborhood. Through theoretical analysis of the effects of these policies on commuting time, work accessibility and transportation costs from the perspective of debates in urban policy, specifically private versus public provision of urban services and the use of engineering or incentive approach, as well as discussion of the actual data changes since the implementation of these policies till 2023, this paper evaluates the effectiveness of these policies in reducing the socio-economic gap within cities. At the same time, the paper also looks at other solutions, drawing on international examples such as Beijing's Customized Shuttle Bus, Singapore's policy of Public Housing Integrated with Transit, and Columbia's Integrated Public Transit System, suggesting additional possible references to reduce transport-related inequalities in Chicago. The results of the study show that the policies of Strategic Plan for Transportation, designed to enhance urban equity, mobility, and justice through transportation, have actually made progress in reality. However, the study also reveals that further policy adjustment and expansion are still needed, and international transportation policies could be referenced to fully alleviate the problem of wealth inequality in Chicago. This study provides insights to policy makers on future policy makings regarding transit and wealth inequality, and also provide them with possible solutions to reference on.

**Keywords:** Wealth inequality, Public transportation, Chicago Transit Authority, Divvy bikes, Urban policy, Transportation equity, Commuting time.

## Introduction

Wealth inequality is a pervasive problem in cities, which might be induced by individual's income level, social status, and unequal distribution of resources<sup>1</sup>. One of the issues that goes hand in hand with wealth inequality is transportation inequality, which refers to disparities in access, availability, and affordability of transportation services between different individuals or groups within a population. To be more specific, inequality in urban transportation systems can perpetuate wealth disparities, particularly in large cities<sup>2</sup>. It often results in unequal distribution of transportation resources and can have significant social, economic, and environmental impacts. In cities, inequality in transportation systems is deeply correlated to wealth inequality<sup>3</sup>. The wealthy often access private cars or luxury transportation, while low-income people may face limited transportation options. This can leave low-income people without easy access to employment opportunities, educational resources, health services, and other basic facilities, further exacerbating poverty and

inequality.

Policy making, as often discussed by scholars, can induce positive impact on wealth inequality. Particularly, well-crafted public policies can sufficiently address structural barriers to wealth accumulation, playing the key role of improving economic mobility which alleviate wealth inequality in a society<sup>4</sup>.

It shall be noted that Chicago presents a unique case for studying wealth inequality through public transportation policies due to its distinct socio-economic and geographic divisions. The city has a long history of segregation and pronounced disparities in wealth distribution between its northern and southern regions, with marginalized communities, especially Black and Latinx populations, residing in underserved areas. It shall be noted that Chicago is one the cities in America with the most severe wealth inequality, deteriorating with time. According to a research from the University of Illinois at Chicago's Nathalie P. Voorhees Center, income inequality in Chicago has steadily worsened over the last few decades, with the city's Gini coefficient—a key measure of income inequality—increasing from 0.163 in

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1970 to 0.328 in 2010, rising among one of the tops in the country<sup>5</sup>. This makes Chicago an ideal context for evaluating how public transportation can bridge socioeconomic gaps and promote economic mobility, a challenge similar to that faced by other major cities globally. Moreover, Chicago's ongoing transportation reforms, such as the Red Line Extension and Divvy expansion, provide a contemporary lens to assess how effective urban mobility policies can be in addressing entrenched inequalities. These novel policies are unexamined, which leaves a gap for future analysis. Thus, this thesis focuses on Chicago, Illinois, and its New Strategic Plan for Transportation proposed in 2021. I utilize both theoretical analysis from two debates in urban policy-private versus public provision of urban services and the use of engineering or incentive approach-from Glaeser's paper-Challenge of Urban Policy and quantitative and qualitative data such as employment accessibility, commute times, and public transportation usage after usage after years of implication to examine how well certain policies in the strategic plan-Expand transit access to more Chicagoans through coordination with CTA, Metra, and Pace and Bring Divvy to every Chicago Neighborhood-will work out to alleviate the issue of wealth inequality in urban settings. In the end, several transportation policies around the globe are mentioned, aiming to provide some possible solutions for the Chicago case. These policies and actions include Beijing's Customized Shuttle Bus, Singapore's policy of Public Housing Integrated with Transit, and Columbia's Integrated Public Transit System.

## Literature Review

### Overview

Wealth inequality, being a pervasive and detrimental phenomenon, triggered numerous studies, seeking to alleviate this issue through urban public transportation. Sampson, in his book- Great American City, highlighted the importance of neighborhood-level interventions to reduce wealth inequality in urban areas, demonstrating how segregated access to public services, such as transportation, disproportionately affects marginalized communities<sup>6</sup>. Sanchez, in his article, Poverty, Policy, and Public Transportation, found that inadequate public transportation infrastructure, disproportionately burdens low-income, and minority populations limiting individual's access to economic opportunities and perpetuating income disparities<sup>7</sup>. These findings are consistent with the challenges faced by Chicago's West and South Side neighborhoods, which remain largely disconnected from the city's more prosperous downtown areas. Similarly, Pfeffer and Schoeni in their article, How Wealth Inequality Shapes Our Future, suggest that transportation policies play a pivotal role in economic mobility by improving access to employment and services in cities.[8] Additionally, Fol and Gallez in their thesis, Social inequalities in urban access:

Better ways of assessing transport improvements, explore how transportation networks influence urban access, emphasizing that cities with robust transportation systems experience higher levels of social mobility<sup>3</sup>. In contrast, cities where public transit is underdeveloped often see greater socio-economic segregation. This ties into the rationale for expanding Divvy and CTA services in Chicago, aiming to reduce the time and cost burden on low-income residents who often face the longest commutes.

### Theoretical Framework

In the urban setting, there are a lot of ways to deal with this issue proposed by scholars, which induces debates on urban policies as well. In Glaeser's paper Challenge of Urban Policy, he discussed five debates on policies dedicated to solving the adverse effects of modern urban congestion, such as traffic jams and contagious diseases, which are some of the main problems widely seen throughout large metropolises all over the globe, from the past to the present. These debates include The optimal degree of federalism, Private versus public provision of urban services, optimal land use regulation, appropriate spatial policies, and the use of engineering approach versus incentive approach<sup>8</sup>. Two of the debates mentioned above, which are the second and the last one, will be important metrics to analyze and anticipate the effectiveness of the examined policies. Here is an elaborating discussion of these two debates:

#### *The use of engineering approach versus incentive approach*

In the last debate of these two approaches, the author addresses the adverse effects of urban externalities, including contagious disease, fires, congestion, and criminal activity, and debates the use of engineering versus economics approaches to manage them. Engineering approaches focus on physical solutions, while economic approaches aim to change individual incentives through regulation, taxes, and subsidies. The author argues that the effectiveness of these approaches depends on the responsiveness of behavior to new infrastructure and pricing and provides examples of successes and failures in public health and traffic congestion. Specifically, "the engineering approach will be most effective when the supply response to the new infrastructure is minimal. The incentive approach will be most effective when the supply response to higher costs is high." The article concludes that the right approach depends on local characteristics and the tendency of behavior to respond to new construction and pricing.

#### *Private versus public provision of urban services*

According to the author, this issue is central to urban governance. Theoretical models suggest that private provision can lead to social gains through cost-cutting but may also result in social losses due to lower quality and corruption. As it is said by Glaeser "There are some historical examples which suggest that private provision has limits, but other areas, such as charter schools, that speak quite well for the private model." Clearly,

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more research is needed to inform decision-making in this area.

Thus, scholars suggest that transportation policies are deeply intertwined with the issue of wealth inequalities in urban settings. It is of vital importance to explore how such policies, especially those unexplored ones, will work out both theoretically and metrically, which will be done in the following content.

## Methods

This paper aims to explore how the city of Chicago reduces wealth inequality measured by employment accessibility and commuting time through two key transportation initiatives in the Strategic Plan for Transportation 2021 of Chicago. Utilizing the case study method specifically, the two analyzed policies are: Expand transit access to more Chicagoans through coordination with CTA, Metra, and Pace and Bring Divvy to every Chicago Neighborhood, which are shown in Table 1 and Table 2.

The method used to evaluate the effectiveness of these two policies is linked to some significant debates in urban planning, as mentioned in the thesis in the literature review section. Each debate has its optimal solution under different circumstances, and it is possible to forecast the advantages and disadvantages or the feasibility of each policy using these debates and points of view. In this work, I use novel perspectives of two debates mentioned above: the method of engineering or incentive and Private versus public provision of urban services.

After these theoretical anticipations and analysis, I will evaluate the actual effect using a combination of quantitative and qualitative data. Metrics such as Employment accessibility, commuting times, and public transportation use were compared before and after the policies were implemented. Data from the CTA, Chicago city reports, and local surveys provided insights into how these policies influenced mobility and economic opportunities in underserved areas.

Wealth inequality is a significant factor in determining the success of the Chicago Region. The region faces significant challenges regarding the disparities in wealth between Black and Latinx communities. Limited data on local-level wealth makes it challenging to gauge the extent of the racial wealth gap in the region accurately. However, extensive research on home-ownership, asset poverty, debt, and credit strongly indicates that Black and Latinx residents in Chicago are considerably less affluent compared to their white counterparts<sup>9</sup>.

According to Figure 1 and Figure 2, people living in Chicago with low income are mainly composed of non-Hispanic Black, Asian American Pacific Islander, and Hispanic. This shows that Chicago is highly segregated by ethnicity<sup>10</sup>. The region's overall prosperity is hindered when a significant portion of its population needs access to substantial capital<sup>11</sup>, preventing it from achieving financial resilience, making investments for the future, and contributing to the local economy and tax revenues. The presence of a racial and ethnic wealth gap imposes similar costs,

constraining the economic prosperity, vibrancy, and potential of the region. Despite the growth of Black and Latinx businesses in Chicago between 2007 and 2012, these entrepreneurs still face inadequate resources and limited support from larger business and lending institutions.

Furthermore, the well developed economy in downtown Chicago experience difficulty to extend to the West and South Sides neighborhoods in the West and South Sides due to public transportation distribution density (as shown in Figure 3, the distribution density of subway stations varies in the South and North)<sup>12</sup>.

## Results & Discussion

I first analyze the first policy implemented by the authority: Expand transit access to more Chicagoans through coordination with CTA, Metra, and Pace.

The authority sets various goals and milestones in the policy implementation process to make the policies more practical and clearer. I sorted the goals that this policy is dedicated to achieving from 1 year and 3 years into the genre of Engineering and Incentive according to the circumstances, intentions, and content of the specific goal shown in Table 3. The engineering approach, as discussed above, will be most effective when the supply response to the new infrastructure is minimal. In contrast, the incentive approach will be most effective when the supply response to higher costs is high.

The first goal is to improve station access to five CTA stations and one METRA station, which enhances the convenience of public transportation for people with disabilities or older people. For that reason, those people who are troubled by disabilities will be able to enjoy convenient transportation just like other people, therefore tackling the inequality issue for them and promoting wealth equality. On top of that, using the engineering approach is a wise choice because the supply for adding infrastructures such as wheelchair slopes, elevators, blind sidewalks, and so on is not much of a big deal, which can achieve the goal and minimize the potential externality simultaneously.

The second goal to Improve CDOT integration into CTA and Metra project development to identify opportunities for other improvements (e.g., Divvy, crosswalks, etc.), means enhancing the collaboration between the Chicago Department of Transportation (CDOT), Chicago Transit Authority (CTA), and Metra in transportation planning and infrastructure development. The goal is to achieve better coordination and a seamless transportation system while identifying additional improvement opportunities, such as the Divvy bike-sharing system, crosswalk enhancements, and more. There are several advantages of this policy as an engineering approach. Initially, this will enhance mobility and connectivity. By improving the integration between CDOT, CTA, and Metra, different modes of transportation can be better aligned, resulting in more convenient and efficient travel. For

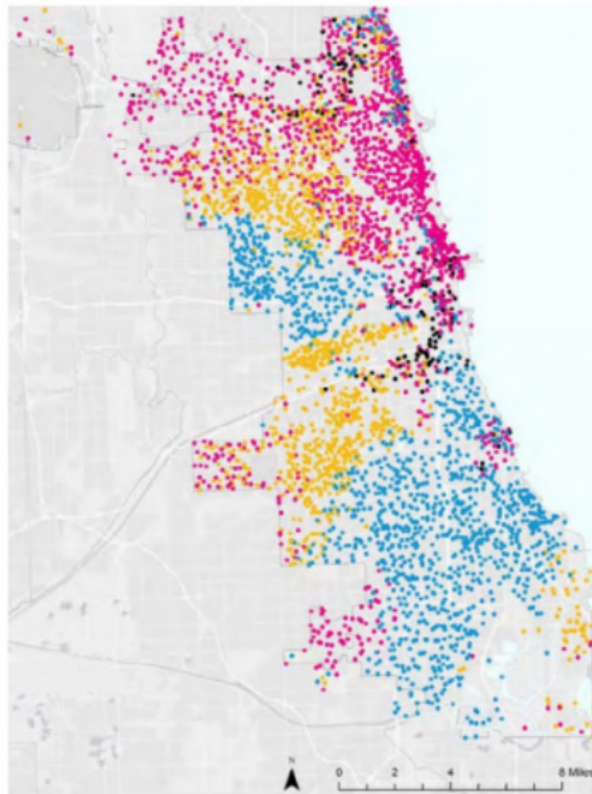
*Expand transit access to more Chicagoans through coordination with CTA, Metra, and Pace*

**Table 1** The First Policy (Lightfoot, Lori, and Gia Biagi. *City of Chicago Strategic Plan for Transportation*. Nov. 2021.)

Strategies	Aim for the first year after implementation	Aim for the first three years after implementation
Expand transit access to more Chicagoans through coordination with CTA, Metra, and Pace.	<p>Identify CMAQ, FTA, and other potential federal and state funding for transit access improvements.</p> <p>Improve CDOT integration into CTA and Metra project development to identify opportunities for other improvements (e.g., Divvy, crosswalks, etc.)</p> <p>Coordinate with Amtrak to implement elements of the Union Station Master Plan.</p> <p>Participate in Red Line Extension project status meetings and support Preliminary Engineering and Environmental Impact Statement phases, as appropriate.</p>	<p>Increase in-house transit planning and implementation capacity.</p> <p>Make station access improvements to five CTA stations and one METRA station.</p> <p>Partner with Metra to establish goals for increasing Chicagoans' access to commuter rail service.</p>

Population by race-ethnicity, Chicago, 2013 – 2017

Source: Theodos, B. et al. *Neighborhood Disparities in Investment Flows in Chicago*. Urban Institute, May 2019



**Fig. 1** Chicago segregation by race and ethnicity, individuals living far away from down town area are mainly composed of Non-Hispanic Black, Non-Hispanic Black, and Hispanic. (Lightfoot, Lori, and Gia Biagi. *City of Chicago Strategic Plan for Transportation*. Nov. 2021.)

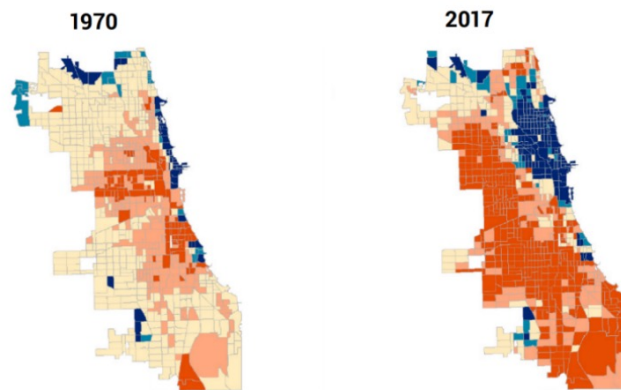
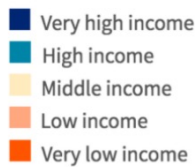
**Bring Divvy to every Chicago Neighborhood**

**Table 2** The Second Policy (Lightfoot, Lori, and Gia Biagi. *City of Chicago Strategic Plan for Transportation*. Nov. 2021.)

Strategies	Aim for the first year after implementation	Aim for the first three years after implementation
Bring Divvy to every Chicago neighborhood	Continue citywide Divvy expansion, including more than 200 new locations on the South, Southwest, West, and Northwest sides. Coordinate with DPD to encourage developers to expand the Divvy system through the Chicago Sustainable Development Policy. Pilot e-bike charging stations at 15 locations.	Citywide expansion of Divvy completed, with over 1,000 locations and 16,500 bikes.  Ebike charging capability expanded to 95 additional locations.  Achieve a ridership of at least 1.5 daily Divvy trips for every thousand residents in five designated Mobility and Economic Hardship (MOBEC) areas from May to October.

Maps show average income of individual census tracts

Source: Voorhees Center, University of Illinois at Chicago.



**Fig. 2** The average income distribution over time, indicating an increase in wealth inequality from 1970 to 2017. (Lightfoot, Lori, and Gia Biagi. *City of Chicago Strategic Plan for Transportation*. Nov. 2021.)

instance, there will be smoother connections between public transit lines and railway stations, which will reduce transfer and wait time. Secondly, this policy can promote sustainable transportation. Car usage and carbon emissions can be reduced when Divvy integrates with other public transportation systems. Lastly, this policy can improve the resource utilization rate. Integrating projects and organizations allows for better coordination of land use and transportation planning, which helps avoid duplication of efforts, optimize resource utilization, and achieve more cost-effective transportation infrastructure development.

The benefit of the third goal, which is to coordinate with Amtrak on implementing elements of the Union Station Master Plan, can be indicated better by the second debate, which is the private versus public provision of urban services. As mentioned in the literature review, the pros of firms providing public services are that it will reduce unnecessary costs, which can minimize externality and gain profit, but this might lead to the

cons of lowering the overall quality of the project, generating negative externalities, and affecting the quality of citizen life. On the other hand, the pros of government agencies providing public services are that they are highly stable and reliable. The actions will not be affected by other companies or the allure of profit, which can generate positive social effects. However, the cons include the extra waste of resources due to some rigorous regulations, the need for more innovation, and low efficiency.

Amtrak can be classified as a semi-public enterprise or a government-provided enterprise. Amtrak itself has been facing some challenges and disadvantages these years<sup>13</sup>, for instance, Amtrak has long faced financial difficulties and limited competition (due to the fact of its classification mentioned above). Thus, this cooperation will alleviate its long-standing financial burden and boost its creativity and innovation. Therefore, the overall provision of this public service will be better, promoting transportation equality.

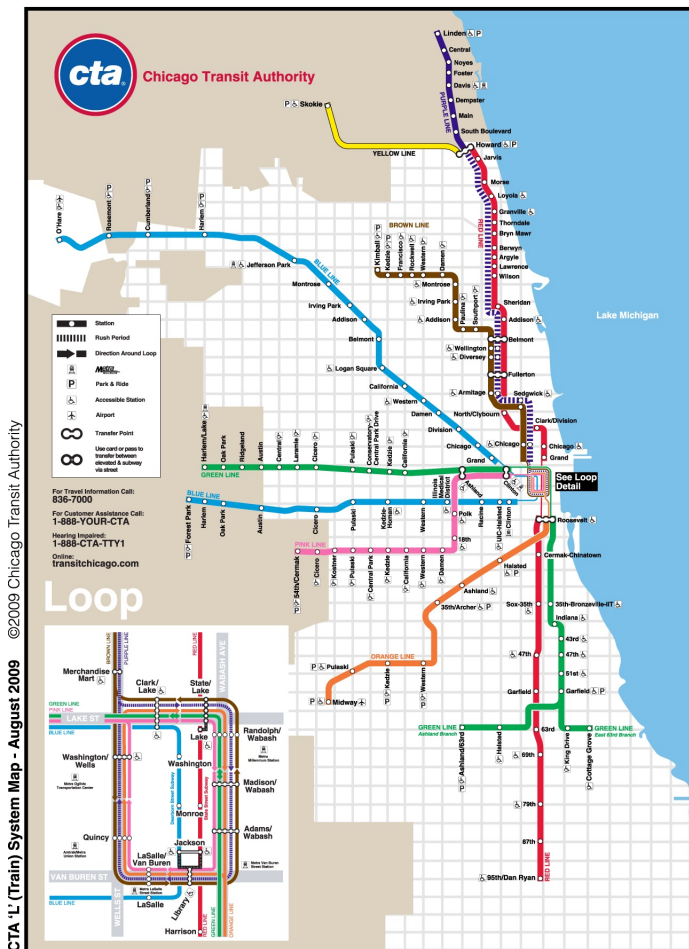


Fig. 3 The distribution density of subway stations showing that the North is denser than the South. (CTA map)

Table 3 Sorting Goals in the First Policy into Two Approaches, with Equal Weight

Engineering Approach	Incentive Approach
Make station access improvements to five CTA stations and one METRA station.	Identify CMAQ FTA and other potential federal and state funding for transit access improvements.
Improve CDOT integration into CTA and Metra project development to identify opportunities for other improvements (e.g., Divvy, crosswalks, etc.).	Participate in Red Line Extension project status meetings and support Preliminary Engineering and Environmental Impact Statement phases, as appropriate.
Coordinate with Amtrak to implement elements of the Union Station Master Plan.	Partner with Metra to establish goals for increasing Chicagoans' access to commuter rail service.

other potential federal and state funding for transit access improvements; participate in Red Line Extension project status meetings and support Preliminary Engineering and Environmental Impact Statement phases, as appropriate; partner with Metra to establish goals for increasing Chicagoans' access to commuter rail service) will probably have the advantages of alleviating congestion, improving air quality, enhancing the travel experience of local dwellers. It shall be noted that CMAQ is a type of funding provided by the federal government to reduce traffic congestion and improve air quality<sup>14</sup>; when the policy mentions utilizing this fund, it will inevitably shoulder the responsibility of advocating and regulating greener traffic. When using the funds provided by FTA, the policy will be dedicated to tackling the issue of congestion by, for instance, planning, design, construction, and maintenance, including improvements to mass transit, bus, and light rail systems, thus cutting down the usage of private cars. The collaboration with Metra, as mentioned in the third policy, will improve the comprehensive experience of commuting and traveling by jointly setting goals,

The incentive goals as a whole (Identify CMAQ FTA and

coordinating service schedules, improving site facilities, etc. In those ways, the authorities can use these incentives to further increase traffic equality.

To sum up, this first policy utilizes the engineering and incentive approaches at almost the same amount, enabling it to be fully comprehensive. Moreover, the ingenious use of public and private provision of public services makes the whole plan more efficient and practical. It should have a relatively bright outlook on solving wealth inequality.

Next, I discuss the second policy: Bring Divvy to every Chicago neighborhood. The goals hoped to be achieved within 1 or 3 years for this policy can also be classified as an engineering or incentive approach, as shown in Table 4.

**Table 4** Sorting the Second Policy into Two Approaches, Emphasizing the Engineering Approach

Engineering Approach	Incentive Approach
Citywide Divvy expansion, including more than 200 new locations on the South, Southwest, West, and Northwest sides.	Coordinate with DPD to encourage developers to expand the Divvy system through the Chicago Sustainable Development Policy.
Pilot e-bike charging stations at 15 locations.	
Ebike charging capability expanded to 95 more locations.	

The first goal, Citywide Divvy expansion, including more than 200 new locations on the South, Southwest, West, and Northwest sides, will alleviate the problem of transportation inequality. Figures 4,5 and 6 illustrate this idea.

The south, west, southwest, and northwest suffer from severe traffic and wealth inequality<sup>15</sup>. Figures 5 and 6 show that the south, west, southwest, and northwest have the most extended commute times and the highest income spent on transportation. In Figure 4, we can see that the distribution of train and bus lines and stations could be more extensive, circumscribing the convenience for people in those areas to access various transportation. This is a severe problem. A considerable number of people are losing job opportunities just because of transportation problems<sup>16</sup>. Hyphenated residents living in those remote locations already have a harsh life due to poverty and often cannot own a private vehicle. Thus, their commute depends almost solely on public transportation provided by the authority. It shall be noted that there are numerous working opportunities on the north side. Those people must get to the north side in the morning and head home after work, which requires much time. When the commute is too long or costs too much of their income, people seize the chance and gain insufficient income because they have things as vital as a job and family to care for<sup>7</sup>. This kind of malign circulation, starting from transportation inequality and ending in

social income inequality, deteriorates as time elapses. However, this policy might be the solution to this circulation. Divvy bikes, an inexpensive (1+0.17 U.S. dollars per minute) and efficient (bikes are fast) way of getting around the city, enable residents to travel around various public transportation stations within a short time or from their home directly to a station. Implementing this policy will significantly compensate for the vacant parts (see the empty white parts without any lines penetrating them) of public transportation in those specific areas of Chicago. Therefore, the essential problem of wealth inequality will be genuinely reduced.

The second and third goals are to pilot e-bike charging stations at 15 locations; expanding e-bike charging capability to 95 more locations indicates that the government should develop the whole system, which can improve the overall distribution of Divvy bikes throughout the city. Users will become less concerned about the problem of recharging and parking, so the usage of Divvy bikes will increase. As for the incentive approach, Coordinate with DPD to encourage developers to further expand the Divvy system through the Chicago Sustainable Development Policy; the expansion will benefit not only its riders for expanding the servicing area and making the whole bike network denser but also people seeking jobs. Enlarging the whole system means requiring more and more workers for positions such as maintaining bikes and stations and constructing basic infrastructures. As estimated, this can create hundreds of working chances, just like the similar situation of New York’s Citi bike program. Thus, it offers low-income people a fabulous chance to earn money.

However, this policy should be carefully considered. For instance, it is barely possible to ride a bike for travel during the winter in Chicago, where the temperature drops too cold. Thus, the authorities should also consider and take action, such as more frequent maintenance work (Engineering) or policies to lower the price to attract more people (incentive). If further policies regarding solving such latent problems are carried out, this policy will be a perfect candidate for eliminating transportation and wealth inequality.

This policy mainly uses the engineering approach to deal with the discussed issue. If more deliberate considerations are taken, it has promising prospects.

After analyzing the potential of these policies, I’d like to bring up some metrics and validations to indicate how is the plan functioning. I will discuss each of the two main goals respectively.

First of all, as for the policy of Expand Transit Access through Coordination with CTA, Metra, and Pace, several improvements can be seen. For instance, from the public transit ridership perspective, it is shown that CTA buses and trains had a 13-15% increase in ridership between 2022 and 2023, which reflected a great improvement in access to transit services in low-income areas. Meanwhile, Metra ridership increased by 37% in 2023,

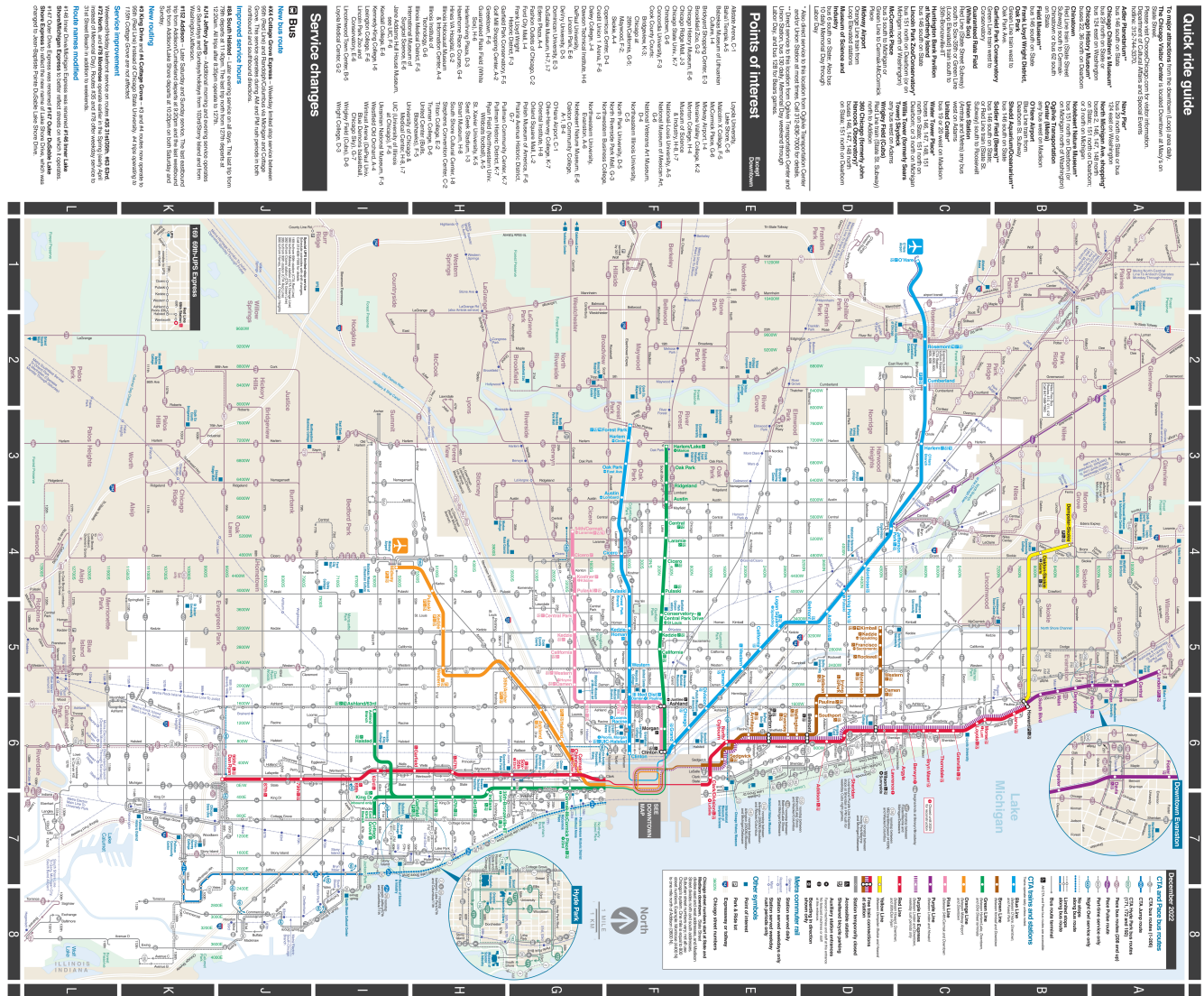


Fig. 4 The public transportation map of Chicago, showing the potential of denser Divvy distribution. (CTA map)

particularly in neighborhoods benefiting from new service schedules and station upgrades. What's more, Pace experienced an increase in ridership of 10 percent in 2022 as well, indicating the enhancement of public transportation convenience<sup>17</sup>.

Apart from changes in ridership, the impact on the issue mentioned at the beginning of the passage- commuting times, is quite significant as well. According to official reports, areas that benefitted from improved CTA and Metra coordination saw an average reduction in commute times of 10-12%. What's more, the Red Line Extension project by CTA effectively reduced the 30-minute average commute to the Loop. This was particularly significant in Chicago's South and West Sides where wealth inequality, as discussed is more severe<sup>18</sup>.

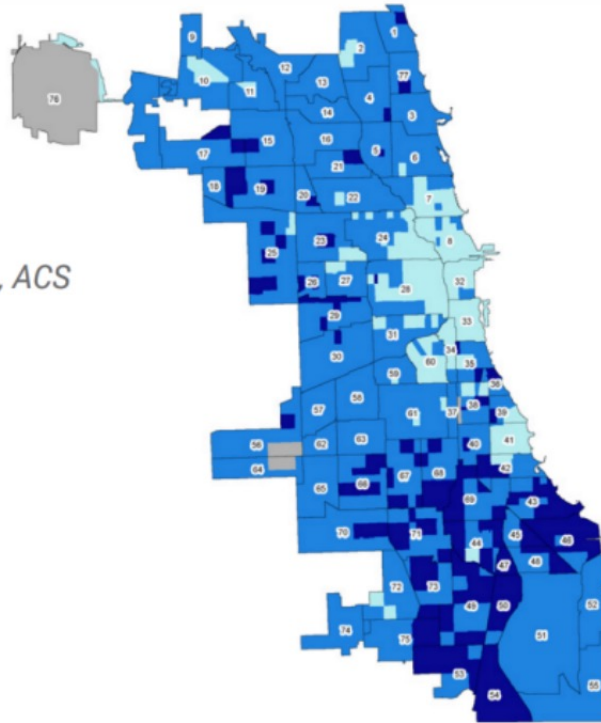
The newly implemented policies in the plan induce impact

on job access and employment at the same time. According to the Regional Transportation Authority report, access to jobs increased by 14% in areas where public transit improvements were made, particularly in underserved communities where long commute times previously acted as barriers to employment. In this case, a comparative analysis of neighborhoods with improved transit access (via CTA, Metra, and Pace) showed a 5% increase in employment rates among low-income residents compared to areas with no such improvements<sup>19</sup>. Besides, a 47% increase in newly accessible jobs within an hour of commute was brought by CTA's Red Line Extension project, alleviating the issue of job opportunities limited by commuting time to a great extent<sup>18</sup>.

For the second policy Divvy to Every Neighborhood, significant metrical changes were also seen. To begin with, numerous

Mean commute times to work by census tract, Chicago, 2013 – 2017

Source: U.S. Census, ACS



**Fig. 5** Mean commuting time in Chicago, indicating that the south, west, southwest, and northwest have longer commuting time. (City of Chicago Strategic Plan for Transportation)

bikes and stations have been added since the implementation of the policy, as indicated in Figure 7. Since July 2021, over 38 square miles have been added to the Divvy system, and almost 30 miles of new bikeways were installed in the Far South Side in 2020 and 2021<sup>20</sup>. This enhanced an individual’s access to a great extent.

Apart from the overall expansion progress into underserved areas, the increase in ridership can also indicate the effect of wealth inequality alleviation. Since the expansion, Divvy ridership increased by 60% compared to 2019, with nearly 550,000 unique riders in 2022. The policy also extended the Divvy for Everyone (D4E) program, which offers discounted \$5 annual memberships to low-income residents<sup>21</sup>. Divvy’s expansion has helped reduce the reliance on cars for short trips, acting as a first-mile/last-mile solution, and low-income residents benefit from reduced transportation costs, as Divvy offers a much cheaper alternative to public transportation or driving<sup>22</sup>.

From the above analysis and data, It is clear that these policies did generate a positive impact on the issue of wealth inequality.

## Conclusion

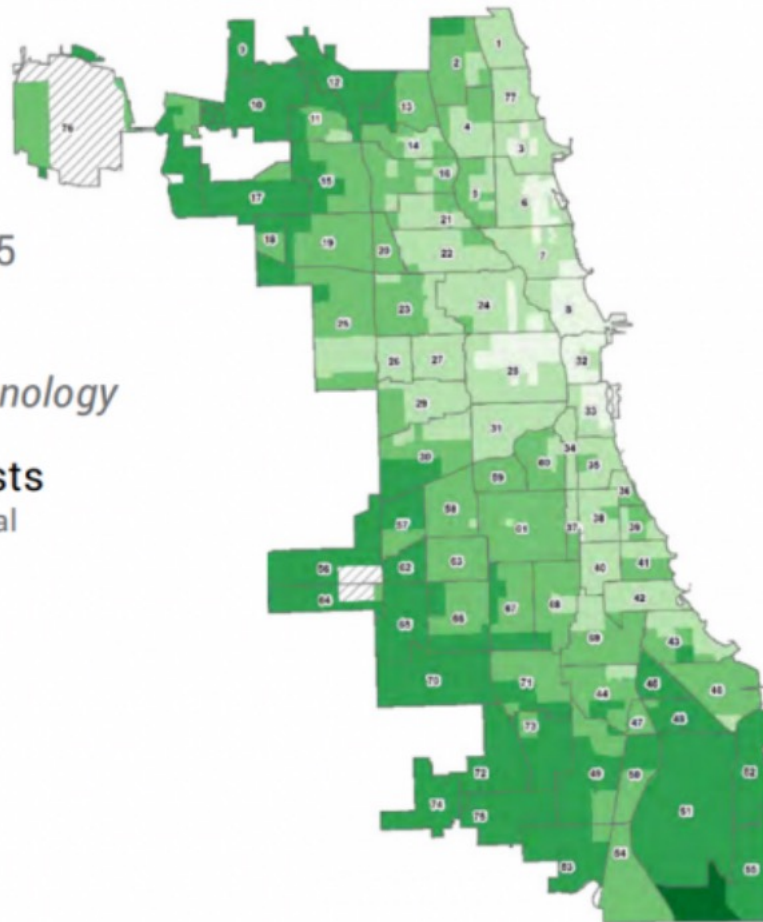
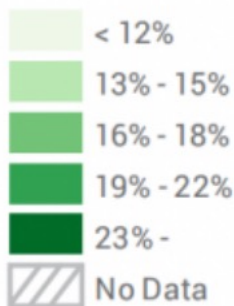
Wealth is a crucial indicator of economic security and growth<sup>23</sup>. Wealth and access to transportation allow individuals and fami-

lies enough stability and agency to define their livelihoods and contribute to their community’s economy. Tackling the deep and entrenched transportation access disparities will require a multifaceted approach that includes engineering, incentives, the collaboration of firms and governments, and so on. The two policies discussed in the passage will likely effectively alleviate this significant issue since they achieve great balance and potential under the analysis of the two urban policy debates, while also proved to be useful by decreasing commuting time, providing better job access, and Increase the user coverage through data validations till now. Still, insightful considerations and amendments must be taken during this process to maximize the utility while minimizing unwanted externalities. Although Chicago has already established one of the most sophisticated transportation systems in the world and has implemented various policies to assist the transportation system, ensuring its equality<sup>24</sup>, there are still many policies it might reference on further to enhance the convenience of the tower of public transportation and reduce inequality. These policies may come from different global metropolises. One of those mechanisms that can be implemented is the Customized Shuttle Bus provided by Beijing Public Transport Corporation,[26] a significant public transportation operator established by the Beijing municipal government. The service was launched as an innovative solution to tackle traffic

Percent of income spent on transportation costs by census tract, Chicago, 2015

Source: Center for Neighborhood Technology

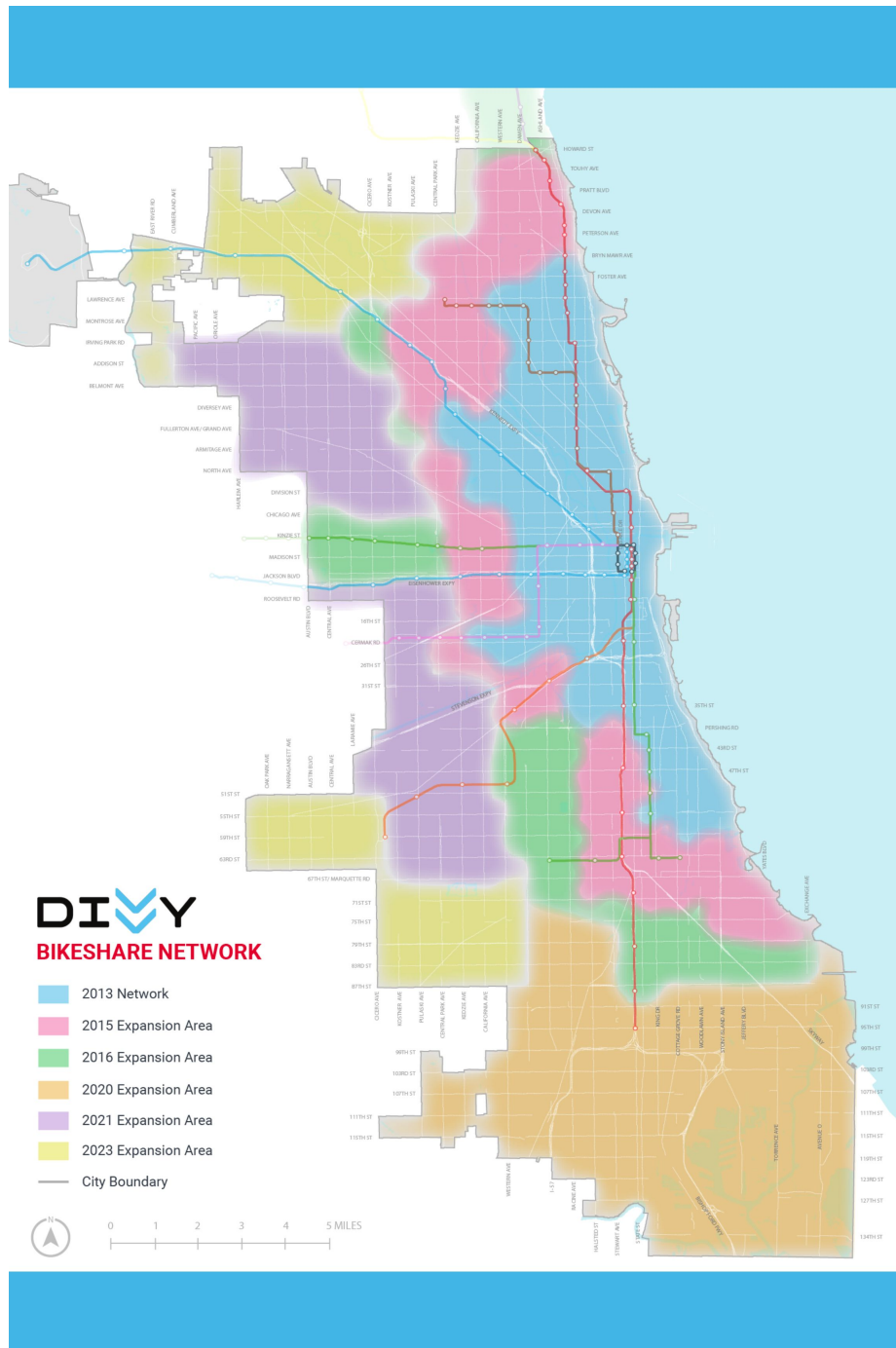
Transportation Costs  
% Income for the Regional Typical Household



**Fig. 6** Percentage of income spent on transportation, which positively correlates to commuting time. (City of Chicago Strategic Plan for Transportation)

congestion in busy areas. In customized bus services, passengers can book their trips through mobile apps or other channels, choosing their pick-up and drop-off locations and times based on their travel needs. Customized bus routes are usually determined based on busy areas, resident demands, and traffic conditions. With flexible route arrangements and relatively small seat capacity, customized buses can better adapt to passengers' travel needs and reduce congestion, commuting costs, and waiting times. What's more, its cheap charging policies favored many citizens who typically suffer from long commuting times, high commuting costs, and complex transfers to work. According to statistics done by the authority, since the launch of this novel mechanism, over 150 lines have been opened to serve citizens, with over 20,000 people and 300 companies benefiting from the service, the average commuting fee saved per person reaches 40 yuan (about 5 US dollars)<sup>25</sup>. This undoubtedly indicated the success of this policy. Another possible policy to reference on is the Public Housing Integrated with Transit in Singapore.

The Housing Development Board (HDB) has emphasized on the importance of integrating public housing with transportation net work, which include MRT (Mass Rapid Transit) and bus services.[28] The government deliberately builds MRT stations and bus interchanges near HDB estates to ensure that low-income residents can easily access affordable and efficient public transportation. The policy promotes inclusive urban planning where residential areas, especially for low-income citizens, are seamlessly linked with transport infrastructure, enabling convenient commuting and reducing transportation costs. Further more, the Integrated Public Transit System (SITP) system in Columbia could also be a reference. It is a key initiative to improve urban mobility, especially for low-income residents, which integrates various transport modes, including buses, TransMilenio Bus Rapid Transit (BRT), and feeder buses. The TransMilenio system, a critical part of SITP, operates on dedicated lanes, reducing congestion and providing faster service. According to studies, this system reduces mean travel time by 32%. It has a



**Fig. 7** Divvy Bike Expansion map and year (Chicago Department of Transportation. Strategic Plan Year 1 Update. City of Chicago, 2023.)

acceptance level of 98% with the lower transportation cost of 0.4 US Dollars, serving 69000 people in average each day.[29] This system makes transportation more affordable and accessible, providing welfare for low-income residents. This policy may be implemented in the southern part of Chicago, where more than public transportation access is needed, supplementing

other public transportation approaches, and it might promote prosperity and alleviate the inequality of public transportation in Chicago. This research also provide insights for future policy making process regarding transportation and wealth inequality, suggesting possible solutions around the world. However, due to the limitation of government data and resource, future studies

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and analysis on this issue is still in need.

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