



Cars In Death Spiral: By 2030, You Probably Won't Own One Ever Again

Technocrats will destroy trillion dollar industries just because they can. Autonomous vehicles fueled by Artificial Intelligence and electricity will become the norm and combustion engine cars will be a distant legacy of the industrial revolution. □ TN Editor

By 2030, you probably won't own a car, but you may get a free trip with your morning coffee. Transport-As-A-Service will use only electric vehicles and will upend two trillion-dollar industries. It's the death spiral for cars.

A major new report predicts that by 2030, the overwhelming majority of consumers will no longer own a car - instead they will use on-demand electric autonomous vehicles.

By 2030, within 10 years of regulatory approval of autonomous electric vehicles (A-EVs), the report says, 95 per cent of all US passenger miles traveled will be served by on-demand, autonomous, electric vehicles that will be owned by fleets rather than individuals.

The provision of this service may come virtually free as part of another offering, or a corporate sponsorship. Imagine, for instance, paying a token sum for a ride into town after buying a latte for \$4.50. Or getting a free ride because the local government has decided to make transport easier.

The [report](#), by RethinkX, an independent think tank that focuses on technology-driven disruption and its implications across society, says this stunning and radical will be driven entirely by economics, and will overcome the current desire for individual car ownership, starting first in the big cities and then spreading to the suburbs and regional areas.

This disruption will have enormous implications across the transportation and oil industries, decimating entire portions of their value chains, causing oil demand and prices to plummet, and destroying trillions of dollars in investor value, not to mention the value of used cars.

At the same time it will create trillions of dollars in new business opportunities, consumer surplus and GDP growth.

Lead consultant and co-author Tony Seba, who specialises in disruptive technologies. [His early forecasts for the enormous uptake of solar where considered crazy](#), but were proved right, and he has since said that new technologies will make [coal, oil and gas all but redundant by 2030](#).

He says while the report focuses on the US, the forecasts are valid for Australia too, because the transportation industry is global. And he warns that the car you buy now may well be your last.

“This is a global technology disruption. So yes, this applies to Australia,” Seba tells RenewEconomy. “And this is going to happen despite governments, not because of governments.

“Furthermore, the disruption will start in cities with high population density and high real estate prices – think Sydney and Melbourne then Perth, Brisbane and Adelaide – and quickly radiate out to the suburbs, the smaller cities, and then rural areas.”

Indeed, there are some people who are starting to anticipate this change, considering Australian-based business models and even local manufacturing, such as [those revealed on Monday by Michael Molitor, the head of a new company called A2EmCo.](#)

Seba does not say that individual car ownership will completely disappear. By 2030, 40 per cent of cars will still be privately owned, but they will only account for 5 per cent of kilometres traveled.

Autonomous cars will be used 10 times more than internal combustion vehicles were, they will last longer - maybe one million miles (1.6 million km) - and the savings will inject an additional \$1US trillion into the pockets of Americans by 2030.

Seba admits that his forecasts are hard to digest. But what he sees in the transition to autonomous EVs from privately owned petrol cars is the same he has seen for all other major transitions: what he calls the 10x opportunity cost.

It happened with the printing press, it happened with the first Model T - it cost the same as a carriage and two horses, but offered 10x the horsepower.

“Every time we have had a ten x change in technology, we had a disruption. This is going to be no different.”

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