

VICKREY: ALL THE TRAFFIC WILL BEAR

TRAFFIC -- from the Latin *trafficare*, to trade. Originally, (a) transportation of goods for trading; (b) trading over great distances; commerce; (c) [Rare] merchandise; commodities for market. -- Webster's Dictionary

On Saturday, November 9th, Prof. William Vickrey, President-elect of the American Economics Association and Professor Emeritus of Economics at Columbia University, gave a seminar at the New York Henry George School entitled "Making the City Work." Prof. Vickrey began his remarks by keying the growth of cities to the development of "economies of scale" and the availability and diversity of goods and services that large urban areas provide. Inherent in any such growth, Prof. Vickrey said, are social costs - air pollution, traffic congestion and the strain on the efficient management of public services.

Taking the examples of traffic congestion and the consequent problem of air pollution, and saying that "public services, like the market, also have density and flow," Vickrey proposed a form of economic structuring of transportation in order to induce market corrections in the overall flow of traffic.

Using a bell-shaped curve, which to one member of the audience looked strikingly like the Behaviorist's reflex-arc, Vickrey proceeded to produce a model of the ideal traffic-market situation that would enable the modification of driving behavior. If the tolls collected for highway and tunnel usage were adjusted to reflect the time of day and "queueing weight" (the amount of congestion at any particular moment), for instance, a person driving to the city could wait for a "pricing signal", a rise or fall in the price of a toll, before deciding to proceed.

Citing the experimental use of urban entry and controls in Singapore, Hong Kong and Stockholm, the Professor went on to show how such pricing mechanisms might help alleviate the burdens on the infrastructures of cities and also make for a more equitable distribution of public funds. If the marginal cost of operating public transportation services were sustained by the collection of adjusted-rate tolls rather than taxes, the use of public monies would be more efficient and fair.

In his concluding remarks, Prof. Vickrey, referring to what he characterized as the "resistance of bureaucracy to new ideas," said "the prospects are woefully dim" for the adoption of his ideas "given the present political climate."

- David Domke

* * * Happy Holidays * * *
* * * and best wishes for the new year
from all of us
at the Henry George School!

NEW YORK HGS WINTER SCHEDULE

Classes begin the week of January 13th

BASIC COURSES

Fundamental Economics

Tues., Mr. George Collins, 5:30 - 7:30
Wed., Ms. Vandana Chak, 6:30 - 8:30
Thurs., Mr. Tom Smith, 6:00 - 8:00

Understanding Economics

Tues., Mr. Lindy Davies, 12:30 - 1:30

Classical Analysis

Tues., Mr. Mark Sullivan, 6:30 - 8:30

ADVANCED COURSES

Applied Economics

Thurs., Mr. Syd Mayers, 6:30 - 8:30

Economic Science

Wed., Mr. Lindy Davies, 12:30 - 1:30
Wed., Mr. George Collins, 6:00 - 8:00
Wed., Mr. Manuel Felix (in Spanish),
6:00 - 8:00

Great Decisions '92

Tues., Mr. William Brown, 6:00 - 8:00

A Philosophy of Life

Thurs., Mr. George Collins, 6:30 - 8:30

Practical Writing

Mon., Mr. Lindy Davies, 6:00 - 8:00

Liberty & the Just Society

Mon., Mr. Mark Sullivan, 6:00 - 8:00

FRIDAY EVENING FORUMS

(7:00 - 9:00)

Land in the Movies

January 17th - The Field

Understanding Financial Instruments & Markets

February 7th - Mr. Jack Driben

Poetry Night

March 6th - Ms. Sonia Usatch
& Mr. William Brown

SATURDAY SEMINARS

(1:00 - 3:00)

Sustainable Energy:

Pipe Dream or Necessity?

January 25th - Mr. Ashok Gupta
& Mr. Lindy Davies

The Property Tax Dilemma

February 22nd - Ms. Martha Stark,
Assemblyman Pete Grannis, &
Councilwoman Carolyn Maloney

The Banking Crisis of the 90s

March 14th - Mr. Michael Zamorski,
Mr. Roy Jensen, & Mr. Ed Dodson

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