

First congestion pricing scheme in the US begins in New York City

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After months of delay and uncertainty, New York City began its controversial congestion pricing scheme this past Sunday. The regional transit agency, the Metropolitan Transportation Authority (MTA), now collects tolls of \$9 per passenger vehicle during daytime hours to enter Manhattan south of 60th Street, a ten-square-mile area encompassing the central business district, residences for over 600,000 people, and many of the city's cultural attractions.

Small trucks and buses entering the congestion zone will be charged \$14.40, with the toll going up to \$21.60 for large trucks and buses. Taxis will be charged 75 cents per trip and high-volume for-hire vehicles, from such app-based services as Uber and Lyft, will be hit with a \$1.50 per trip toll.

While road tolls are nothing new—and the New York City metropolitan area has an abundance of them—they are typically limited to bridges and tunnels or specific toll roads. New York City's scheme is unique, at least in the United States, in that it covers an entire area and aims not to pay for roadway infrastructure but has broader goals, including reducing vehicle traffic and funding public transit. Internationally, a small number of cities have implemented congestion pricing, namely Singapore, London, Milan, and Stockholm.

Congestion pricing has emerged as a major political issue in New York, with broad implications for transportation policy across the country and internationally. Fundamentally, it represents an attack on the working class by imposing a regressive tax that will have the biggest impact on drivers least able to afford it. The working class will be priced out of the same transportation options as wealthier residents or be forced to make big financial sacrifices elsewhere.

However, the transportation crisis that congestion pricing purports to address is indisputable and already imposing huge costs on the working class. These costs are both direct and indirect, including from torturous and lengthy commutes, poor transit service, crumbling infrastructure and a host of other societal impacts on health, safety, the environment and quality of life that come with over-reliance on private vehicles for mobility.

What all sides of the official political establishment have excluded is any talk of mobilizing the vast resources controlled by the corporate and financial oligarchy—to a significant degree physically located in New York's congestion pricing zone itself—to pay for the pressing public transportation needs and other infrastructure necessary for a functioning and efficient transportation system. Instead, the official debate distills into which section of the working class should pay, and in what form.

Consequently, the political infighting over congestion pricing has been bitter and involved policy zigzags during and after election season. Governor Kathy Hochul announced the resurrected program in November after abruptly pausing the previous iteration just weeks before it was set to begin last June. The final version revised the daytime toll for cars entering the zone downward to \$9 from \$15. The charge is slated however to rise to \$12 in 2028 and \$15 in 2031.

Republicans, along with many outer borough and New Jersey Democrats, have denounced the program, pointing to the financial burden of the new toll under conditions where the cost of living has already markedly increased in recent years. They also highlighted the potential for traffic shifts to congested areas outside of the central business district.

The state of New Jersey, under Democratic Governor Phil Murphy, has filed suit against the scheme based primarily on environmental grounds. It argues that traffic diversions could worsen air quality in hot spots outside the congestion pricing zone. New York City's teachers' union, the United Federation of Teachers, also has an ongoing lawsuit, claiming an environmental assessment and traffic study were incomplete. The bureaucracy of the Transport Workers Union Local 100, which covers roughly 40,000 transit workers, initially opposed the scheme but backed Hochul's revised program with reduced fees.

At the federal level, incoming president Donald Trump has attacked congestion pricing. In May, he vowed to block the program immediately upon taking office. His ability to do so is far from certain, given the moves by Hochul with approvals by the Biden administration to begin congestion pricing now before the change in administration.

Proponents, mainly in the Democratic Party, have defended the program as a means to provide desperately needed funds for the region's public transportation system, which the MTA runs. The tolls are expected to generate approximately \$500 million annually in the first few years, with 80 percent of the revenues slated for capital improvements for the subway and bus system and 20 percent for the regional railroads.

Public transit infrastructure in New York City has been grossly underfunded for decades. The MTA has identified \$68.4 billion in capital needs under the current five-year plan, which extends through 2029. Even with the influx from congestion pricing, there remains a \$33 billion shortfall. Beyond the unmet capital needs, the transit agency owes more than \$40 billion in long-term debt, nearly quadrupling since 2000. This debt is paid for out of the operating budget, which currently shows shortfalls of more than \$400 million by 2027.

The defenders of congestion pricing have argued that the adverse impact on the working class will be relatively small and offset by the benefit of additional funding for public transit. In New York City, more residents commute via subway, bus, or train than by car. In terms of traveling into the central business district for work, the MTA estimates that just 11 percent of people drive and the majority of them do so despite having some access to public transit.

Underlying the political fight over congestion pricing is the broader, systemic failure of the transportation system in New York City and across the country. The system, built up over decades, is increasingly incapable of meeting the complex challenges of contemporary society across a wide range of interconnected issues, from population growth to environmental and health impacts.

The subordination of transportation planning to short-sighted profit interests, including those of car manufacturers, the oil industry, and land

developers, has resulted in infrastructure and land use that prioritizes vehicle traffic above all else. In many parts of the country, visiting friends, seeing a doctor or buying a cup of coffee—along with everything else—requires a trip by car.

New York City is an outlier in the United States regarding walkability and a functioning transit system. Nevertheless, the same car-centric trends have had an outsized impact on the country's largest and most densely populated city. In the second half of the 20th century, neighborhoods in New York City, as around the country, were bulldozed to make way for expressways, while public transit infrastructure was left to rot. Today, New York City's streetscape is dominated by infrastructure for cars, with vehicle travel lanes and parking allocated three-quarters of the public space, despite less than half of households in the city even owning a car.

Even so, the city of more than 8 million (and more than 23 million in the metropolitan area) is nowhere near physically capable of efficiently handling current traffic demand. Average speeds in the congestion pricing zone hover around 7 miles per hour for several hours a day, both weekdays and weekends. Adequate parking space is physically impossible, absent the conversion of New York City into a giant strip mall. The scarcity of parking adds to congestion, with delivery vehicles, double-parked cars, and ride-hailing vehicles blocking multiple lanes of traffic seemingly everywhere and at all times.

While New York City has some of the worst congestion in the country, the economic costs from lost productivity, increased travel time, wasted fuel, and higher shipping costs exceed \$1 billion annually in more than 40 urban areas in the US.

The impacts on public health and welfare are also far-reaching. A transportation system where mobility is primarily or exclusively tied to access to private cars means those unable to afford a vehicle or unable to drive face huge barriers just to meet essential needs. Making matters worse, the cost of car ownership has soared in recent years, far outpacing inflation. Used cars have risen in price by 40 percent since 2020, while insurance costs have increased by 30 percent.

Meanwhile, traffic fatalities and injuries have long been normalized. More than 40,000 people are killed each year in the US in car crashes, a figure that has risen since 2010. Traffic death and injury rates in the US are far higher than in nearly all developed countries. An analysis published last year by the UN Economic Commission for Europe showed a higher per capita road fatality rate in the US than all 55 countries examined in Europe, North America, and Central Asia, save Kyrgyzstan.

New York City counted 265 deaths and 53,000 injuries from vehicle crashes in 2023, the last year for which complete data are available. Yet traffic deaths rarely receive any media attention, in stark contrast to the media hysteria whipped up when deaths or assaults occur in the subway system, which are often national news.

Direct health impacts are also caused by motor vehicle pollution, a major contributor to smog and particle pollution. Approximately 120 million people in the US live in areas that don't meet federal health-based air quality standards, in large part due to the impact of vehicles. The transportation sector, dominated by fossil-fueled vehicles, is the country's most significant contributor to greenhouse gas emissions.

Congestion pricing is promoted, in part, as a step in a broader shift away from the disastrous impacts of car dependency. That shift is undoubtedly needed, but the congestion pricing policy promoted by "progressives" is fundamentally regressive. It seeks to address the transportation problems created by capitalism's absence of rational planning by using the market itself as a planning mechanism. In doing so, it inevitably rewards the haves and punishes the have-nots, exacerbating social inequality.

Plenty of workers in New York City currently rely on cars for various reasons, whether they live in parts of the city that are underserved by transit, need to travel during off-peak hours when transit service is sparse, or simply need the convenience and flexibility not currently offered by

buses and subways. Putting a new price on driving to the city center means a section of the working class will feel the most significant impact.

This creates an opportunity for far-right forces like Trump to demagogically capitalize on the anger over the deteriorating economic position of the working class while at the same time sabotaging public spending on transit, pedestrian, and biking infrastructure, worsening an already disastrous transportation situation.

Proponents of congestion pricing often claim that their scheme, while imperfect, reflects the existing political and economic realities. Yet, it is precisely the political and economic system that is the chief impediment to resolving the transportation crisis we confront today.

An irrational and often dysfunctional transportation system is but one aspect of a more profound systemic crisis of capitalism encompassing expanding war and genocide, an unabated global pandemic, an environmental catastrophe from climate change, the descent towards dictatorship and fascism and skyrocketing social inequality.

Regarding transportation, the MTA's long-term debt could be wiped out entirely by redirecting one-twentieth of the annual budget of the Pentagon. The net worth of New York City's 110 billionaires now approaches \$700 billion, could cover the MTA's capital needs and long-term debt more than six times over. The revenues anticipated annually from congestion pricing amount to just 0.2 percent of what Tesla CEO Elon Musk and world's richest man "earned" in 2024.

Further, many of the needed improvements to the transportation system are directly related to the need for rational planning: Infrastructure and land use investments that prioritize safety, walkability, and public transit; a housing system where workers can afford to live near workplaces, shops, and cultural amenities; massively expanded train and bus systems to provide more convenient alternatives to private vehicles; and access to affordable and reliable cars for those who need them.

There is little question that the technological and material means exist or can rapidly be developed to meet all of the needs of modern society through rational and scientific socialist planning.

For all their infighting, the Democrats and Republicans are united in their hostility to any measures that cut across the capitalist system's need for profits, regardless of how rational from a societal standpoint. No matter which faction ultimately wins out in the congestion pricing battle, the working class will lose unless it emerges with a political program of its own.

The struggle for a fully funded transit system in New York City, along with a functional and accessible transportation system as a whole, is bound up with developing a class-conscious movement of the working class to wrest political power from the oligarchs, expropriate their wealth and use the resources of society to meet the needs of the broad masses of the population, not the profit interests of a few.



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