



How Geogist ideas could help to transform transport in New York



• Felice Gruskin

"... and the people ride in a hole in the ground." These words from "New York, New York", sung by Frank Sinatra in the movie "On The Town" described the most popular means of getting around New York City. The Big Apple is home to the largest subway system in the world. With 469 stations connecting Manhattan to Brooklyn, Queens and the Bronx, one can traverse over 722 miles on elevated and underground track for \$1.15! This was most recently done in December 1990 in just under 70 hours.

New York differs from other American cities in its freedom from dependence on the automobile. This is true not only because of its extensive mass transportation network, which operates 24 hours a day, but also because of the lack of adequate space to provide roads and parking. For some, ownership of a car amounts to a luxury and hunting for a parking space can be an hour's long endeavor. Parking on the street subjects your vehicle to an assortment of horrors ranging from vandalism to theft to the whims of the Parking Violations Bureau whose agents are armed with ticket books, tow trucks, unremovable window stickers and wheel boots.

With the largest subway system (in track miles and stations) New York has experienced economic difficulties causing a deterioration in services, amenities and maintenance from the mid-1960s to the 80s. Even with an infusion of \$14 billion in capital funds, ridership and the level of service has not returned to its peak of the 1940s and 50s. The 2.4 billion riders in 1948 have declined to 1 billion annual riders today. Reasons for this drop include an increase in crime, the spread of graffiti (which is momentarily under control) and the steady increase in the fare coupled with poor service and unreliability.

THE SUBWAY system opened in 1904 with a nickel fare which remained until 1948 when it was raised to a dime. In 1970 the fare stood at 30 cents and ten years later was 60 cents. There were several increases during the 1980s bringing the present fare to \$1.15. Of all the reasons for the drop in subway ridership, the most critical and also the one which the NYC Transit Authority has the most control over is the fare. Transit Riders in Pursuit (TRIP) saw this in 1982, when it was incorporated by Felice Gruskin. It continues to this day to advocate and educate others about the benefits and advantages of a No-Fare transit system.

TRIP is a not-for-profit grass-roots membership organization, charging only \$1 per year dues. This was done to make membership affordable to all transit riders. The goal is to recruit from the 5 million New Yorkers and non-New Yorkers who use our subways and buses. Currently membership stands at over 800 and growing. While there are other organizations that deal with transit problems, TRIP is unique in offering a solution that would correct several transit shortfalls. It additionally provides steady financing and offers a means of solving other urban and environmental problems.

At the time TRIP was founded, Ms. Gruskin was also

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involved with the Henry George School in Manhattan. Seeing a way to incorporate the ideas of Henry George, TRIP developed two basic goals: to make mass transit in NYC free and to charge a 6% additional tax on the land value in NYC to pay for the transit system.

What are the benefits of a no-fare transit system? A free transportation system will encourage so many people to return to mass transit that there will be significantly fewer cars entering the city and traveling within. Gridlock and auto congestion will lessen substantially and air pollution will decrease to tolerable levels. There will also be other benefits, such as freeing personnel from fare collection and enforcement (catching fare-beaters) who can then provide increased informational services, respond to emergencies and fight crime. Free transit provides the whole city with increased access and travel to shopping, cultural activities, jobs, etc.

A LAND value tax (LVT) has applications in NYC and other urban areas facing similar problems. Taxing land value provides a way of redistributing the value which accrues to the fortunate landowner but is created by the actions of the community. The current rate of taxation in NYC is approximately 9.5% of the assessed value. The land value portion could probably be increased to a much higher level without seriously hurting landowners or disrupting real estate markets. That land in prime downtown locations can be kept vacant or as parking lots is an indication that landowners are not paying enough of a tax on its value.

Are we justified in advocating the landowner be taxed to pay for mass transit which he may not even use? The answer is "yes", because a landowner receives much more benefit than a bus or subway rider. Land derives its value from the community infrastructure. With land value related to its proximity to mass transportation it is only natural that some of this extra value ought to be used to finance it.

Instead of charging riders a fare for each ride which leads to cycles of fare increases and ridership loss, why not charge the landowner a tax on the value of his (or her) land? It is an easy tax to collect and it would only take a 6% additional tax on the land value, assessed in 1989 at \$19 billion, to make up for the loss of farebox revenues of about \$1 billion.

Most major cities are facing severe fiscal problems and could benefit from adopting land-value taxation. Funding mass transit is really only a beginning and if TRIP is successful in getting its plan adopted then the ground will be broken for using LVT to fund other services.

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