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## THE ROLE OF CITIZENS IN IMPLEMENTING TRANSPORTATION PRICING

*A Summary by Daniel D. McGeehan of a Conference Session at the 57th Annual Meeting, TRB, 1978, sponsored by the Committee on Citizen Participation in Transportation Planning, chaired by Kathleen Stein Hudson, and the Committee on Taxation, Finance, and Pricing, formerly chaired by Charles A. Hedges and now chaired by Damian Kulash.*

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This is a report of a conference session dealing with the role of citizens in implementing transportation pricing. The session resulted from activities of the Committee on Citizen Participation to help implement research fundings or transportation policies by improving general awareness and understanding of the research or policy.

Schemes for pricing transportation facilities are summarized and reviewed here. For example, the Urban Mass Transportation Administration's experience with pricing to control traffic in several cities is summarized. Pricing approaches considered include parking licenses, morning peak surcharges, parking space charges, and revenue taxes.

Experience indicates that these concepts are not now generally accepted or implementable. In Berkeley, an investigation to identify locations where pricing might alleviate traffic congestion failed for several reasons: public misunderstanding, uncertainty by the city council, and sponsorship by a non-local organization. In Madison, Wisconsin, some of the impacts of road pricing were estimated and analyzed. Failure of road pricing schemes to proceed apparently resulted from lack of understanding, especially

by people who would have benefitted from reduced traffic in their neighborhood or better transit service.

The session identified factors contributing to the demise of pricing schemes and made suggestions for implementing similar adventures in the future. For example, costs imposed by road-pricing are more likely to stimulate opposition than the benefits are to stir up positive response.

#### AN URBAN MASS TRANSPORTATION ADMINISTRATOR'S EXPERIENCE WITH PRICING TO CONTROL TRAFFIC Bert Arrillaga.

My presentation provides an overview of our experiences in implementing road and parking pricing techniques. I will describe innovations that we have developed since we started this program, tell about existing project designs that we have underway with various cities, and mention some of the most important factors that have negatively affected the implementation of these innovations, as well as reasons why some cities appear to support them. Finally, I will pose key questions for the panel to address.

#### Experience with Areawide Road Pricing

In 1975, the Pricing Policy Division of the Service and Methods Demonstration Program instituted a project to test and evaluate pricing strategies to control low occupancy modes. An early effort in this project was to implement an areawide pricing scheme made famous by the Singapore experience. (Finance & Development, Vol. 13, No. 1, March 1976.)

In areawide road pricing, a fee is charged to low occupancy vehicles for the use of a designated area during highly congested periods, such as the morning peak hours. The fee is charged by selling windshield license stickers on a daily, weekly or monthly basis. Fees could be very low or nonexistent in instances where headways are very long. The extent of the charge is dependent on the desired reduction in congestion and the needed revenues. High occupancy vehicles, police and emergency vehicles are exempt.

A collateral element is the implementation of a significant amount of transportation improvements about six months prior to the pricing scheme. Improvements may include the addition of conventional fixed-route buses or small vans. Park-and-ride lots could be strategically located around the restricted area so that auto users could easily park and take a free bus shuttle to their destination. Carpools, vanpools, and shared-ride taxis would be encouraged. The reduction of traffic in some areas may free up the space for providing pedestrian amenities or physical development improvements such as sidewalk widening for cafes, shops, etc. In our attempts to implement an areawide road pricing demonstration we contacted 11 cities. Six cities expressed an interest in an areawide pricing demonstration but only three (Berkeley, California; Madison, Wisconsin; and Honolulu, Hawaii) were willing to perform a preliminary analysis of alternative pricing schemes. Preliminary sketch design would provide an opportunity to interact with people in the areas and to inform them about the concept and its possible impacts. Following this analysis, a 6 month study would follow dealing with public information, transit planning, operations, and cost.

The technical results of these feasibility studies are available from the Urban Mass Transportation Administration (UMTA) and the Urban Institute. The results of this study were presented to the mayor, officials of state and regional government, and business groups. In Madison, a key objection to the concept was the possibility of worsening an already declining central business district. In Berkeley, the city had positive reactions to the study results and passed a formal resolution to proceed with more detailed study phases. However, a press release on this action caused unfavorable reactions from the public, forcing the detailed study phase to be stopped. In Honolulu, there was general interest but the business community expressed its concern about the concept as being perceived as a tourist tax. The ultimate result was rejection by the cities of proposals to implement a pure road pricing concept. In order to learn more about how the people in the study areas perceived this concept, "post mortem" interviews were made with various community groups and members of the city staff.

#### Program Restructuring

Because of these negative experiences, we made some basic changes in the project. Instead of just attempting to implement a pure road pricing demonstration, we are now interested in experimenting with a broad set of pricing incentives and disincentives that

will accomplish related objectives. We are also attempting to improve our delivery system, and we are developing informational booklets with excellent graphics to better convey the benefits of this program. This booklet will be integrated into a press kit so that cities can respond quickly to public inquiries.

The additional concepts we are now interested in implementing include corridor, spot, and parking pricing. In corridor pricing, vehicles are priced according to car occupancy along an urban corridor such as a major expressway or artery, or a bridge crossing; mass transportation improvements are also implemented along the effective corridor. A variation in corridor pricing is to charge low occupancy vehicles for use of facilities that are designed exclusively for high occupancy modes, such as busways. Also, incremental fare increases may be implemented on existing toll roads and while these variations may not provide as much information as direct pricing of facilities, they will give an indication of the trade-offs between price levels and service levels.

Spot pricing which is even more localized than the above involves pricing the use of congested spots, such as expressway entrances and exit ramps, major intersections in central cities, sports stadiums or entertainment complexes. A major problem is heavy congestion associated with recreational events (football, baseball, etc.) that often interferes with intracity and intrastate travel. Pricing schemes in this instance can be used to encourage the use of already provided shuttle service from satellite parking lots.

Parking pricing has as its objective encouraging the use of high occupancy vehicles during peak hours, encouraging auto off-peak travelling and the use of mass transportation in general. Parking pricing strategies provide an opportunity to restrict auto use by the time of the day, the location, number of persons in the car, and type of ownership. There are four ways for implementing the charge: parking licenses, morning peak surcharges, parking space charges, and revenue tax.

Studies prohibiting parking by commuters in urban residential areas are also being performed. Cities that are implementing physical prohibitions may be interested in implementing price prohibitions, such as providing free parking for its immediate residents with a high parking fee for non-residents or commuters.

Technical evaluations have been performed in urban areas that have provided free parking for high occupancy vehicles. Expansions of these programs are being contemplated in terms of scale and price distribution according to vehicle occupancy. The formation of carpools, changes in revenues, or decreases in transit ridership will be evaluated.

A concept has been designed to eliminate the long term custom of employers and retail centers to provide their employees with a parking subsidy. The concept involves replacing these subsidies with an equal amount of cash or a free mass transportation pass. Such cash disbursement would be given on the basis of occupancy so that the single

occupant vehicle would be assessed the true commercial parking fee.

### Project Development

Honolulu has shown interest in pricing major corridors leading into the CBD combined with high parking prices to discourage long term parkers. Madison has made a proposal to establish a peak hour surcharge of about \$3 and to increase the hourly rate for long term parkers. Reduced parking rates through merchant validation will be provided for the short term off-peak parker. A license for on-street vehicles during peak hours may be a future possibility.

A comprehensive feasibility study of road pricing, corridor pricing, and parking taxes is being conducted in Boston, Massachusetts. Analytical tools to evaluate pricing scenarios will be used in the study, along with interviews with business groups, community leaders, and politicians to determine the feasibility of pricing proposals.

Surprisingly enough, recreational communities have shown the most interest in pricing techniques. These communities suffer from heavy seasonal traffic that infiltrates the residential and business areas hindering mobility. One example is Lake Tahoe, California, where visitors outnumber residents four to one. One proposal is a parking pricing scheme which restricts trips ending in congested areas but allows through traffic. Parking permits would be sold to all establishments at the rate of \$5 for three days, \$10 for ten days, and \$20 annually. The major purpose of this scheme is to restrict auto use and raise revenue to pay for numerous transportation improvements planned for the area. It is expected that the parking charge will generate 13.8 million dollars for fiscal year 1978.

Santa Cruz and Hermosa Beach, California, are interested in applying areawide parking charges which would discourage parking at the beach and encourage parking at nearby park-and-ride lots with a free bus shuttle.

Factors Affecting Concept Acceptance in Implementation. In spite of the fact that pricing schemes to control travel behavior in favor of high occupancy vehicles will generate a new source of revenue to finance transportation improvements and effectively reduce auto use in congestion, specifically from outside or through traffic, they are not readily acceptable concepts. Numerous factors adversely affecting the implementation of the pricing concepts were perceived through personal contacts and visits made to the selected cities. People in the community did not believe in the proposed transportation improvements nor their success in providing good mobility. Other people felt that less drastic measures might accomplish what pricing would and they perceived no severe congestion to justify the price of the scheme. Many people associated the pricing concept with a commuter tax. There was also a concern throughout the community about the effect that the pricing scheme would have on business and on low-income groups. Several legal issues tended to impede the implementation of the pricing concept, such as whether

the charge is a toll and, if so, can it be implemented on a federally aided roadway. Other legal issues were the right to travel, the right to equal protection under the law, and the availability of local enabling legislation in law enforcement problems.

The experience gained by the initial interaction with city officials and local transportation planners and engineers showed that new directions must be taken in order to provide a better basis for acceptability of the concept, and hopefully, its future implementation. Steps must be taken to insure that the detailed feasibility study is broad enough to consider the application of areawide charges and all other possible pricing schemes. The study should deal with existing and planned transportation improvements, include other amenities such as closing streets, or lanes for expanded sidewalks for restaurants, shops, etc. Financial support should be provided for developing a comprehensive community interaction program. Also, an information package should be developed to be used in citizens' workshops or public hearings and press conferences. The case study site should be acceptable for performing a detailed study in order to advance the knowledge base in this area. Further, the larger and widely publicized site selection process should be implemented so that cities will be acquainted with the program and have an opportunity to express their interest.

### THE BERKELEY EXPERIENCE: "POST MORTEM" Mary Lou Olson

Berkeley's involvement with road pricing began in late 1975 when the Secretary of the Department of Transportation (DOT) sent letters to the mayors of several cities explaining the road pricing concept and soliciting interest in the demonstration of the concept. As a result of the interest shown by the mayor of Berkeley, meetings were set up in March of 1976 to discuss the possibilities of a demonstration. Attending these meetings were staff from the Urban Institute, representatives from the Urban Mass Transportation Administration, and the mayor and selected community leaders (who included members of the transportation planning staff and the Planning Commission).

A three-phase study was proposed at this meeting, each phase requiring the City Council's approval. The first phase was a preliminary investigation to be conducted by the Urban Institute in order to identify locations in which traffic congestion was a problem, to develop some very general pricing strategies, and to project their probable impacts. The second phase had as its objective the development of much more specific strategies. During this phase, a concerted effort would be made to solicit the views of the community through formal and informal channels and to find strategies that were acceptable to as large a segment of the community as possible. The objective of the third phase was the selection of one of the

strategies developed in phase 2 for an actual demonstration.

While some attending the meeting had reservations about the ability of the plan to raise funds for transit, more felt it was a worthwhile concept and that the study should be pursued. Consequently, in September of that year a resolution introduced in the City Council by the mayor recommending endorsement of the first phase of the study was passed unanimously.

One month after the council vote, a newspaper article on the study appeared in the San Francisco Chronicle. The article was written with a very strong tone of mocking and skepticism about the study and even though most of the facts were accurately presented, they were buried under the journalist tone of "what are they trying to do to us now?" A lot of people in the community first heard of the study through this article which conjured up images of toll booths scattered around the city. Many people feared they would have to pay a high price for driving during all hours of the day and friends would have to pay to visit them. In other words, they felt that a basic right was being taken away.

News of the study spread rapidly through the community after the article appeared and, within days, the City Council started receiving calls from outraged citizens. At that time three major sources of opposition surfaced. First was the confused general public just described. Second, the business community was very upset because they were afraid pricing would damage the image of the city; even if one road was priced during morning peak hours they felt Berkeley would have the image of an armed camp.

A third source of opposition came from opponents of another transportation plan in Berkeley. This plan called for the construction of traffic diverters -- barricades which block through traffic -- as part of a plan to control traffic in residential areas. There had been one recent referendum in Berkeley to remove these traffic diverters. The referendum had been narrowly defeated, the diverters were still an issue, and a second referendum was scheduled for the upcoming local elections. The mayor and the members of the City Council who were most in favor of the pricing study also supported the traffic diverters. Consequently, opponents of the diverters realized the political gain that could be made by associating the two issues and, therefore, sought to increase confusion surrounding the pricing study. It appeared that most opposition to the study was expressed through phone calls to the City Council members. The City Council handled these calls in a variety of ways. One council member with the most interest in the study claimed an explanation of the study to those callers who misunderstood it had no impact at all because these callers were so irate that they refused to listen. This council member rather quickly abandoned all attempts to explain this study further. A second council member forgot about voting on the study and claimed that he had never heard of the whole thing; he of course could not answer any question about the study and this only made the callers more upset. A third council

member who received only a few calls said she was able to explain the concept and even got a few people to express mild support of the study.

The only vocal support for the study came from a neighborhood association in an area adjacent to one of the potential study areas. This group was well informed on Berkeley issues and was the only group that invited Tom Higgins, an Urban Institute consultant, to come and talk to them about the road pricing concept.

There appeared to be three major factors in Berkeley that led to the very abrupt halt of the pricing study. First, the study was misunderstood by the general public. Second, the City Council was surprised by the sudden negative reaction and didn't know how to handle it. All Council members were facing reelection in a couple of months. Many of those who supported road pricing were concerned about the upcoming referendum on the earlier transportation program they supported -- an issue of long standing in Berkeley. For these decision makers it was easy to sacrifice the road pricing study which has no long term history in the community. The third factor was that the study was being introduced by a non-local organization and, since many community activists were embroiled in another controversial transportation issue, the study did not have a chance to develop local grass roots support.

#### THE MADISON EXPERIENCE, Frank Spielberg

Madison is somewhat of an unusual community, probably not typical of the country. The current mayor is known, in part, for the fact that when he was first elected to the Common Council in Madison as a student of the University of Wisconsin, he was a member of the Students for a Democratic Society (SDS). The mayor he replaced subsequently ran for vice president on Lester Maddox's ticket, so there were some rather severe and abrupt changes in Madison from a very conservative to a very liberal government and there was a certain amount of local political conflict. But because of this atmosphere in Madison, there is also a history of a very active political process. The town is small enough so that people know each other. When we talked in our interviews about other transportation projects in Madison, we found that there was a long history of local involvement in projects which are now being implemented or have been implemented. Projects tended to go through a germination period that lasted anywhere from five to eight years with ideas - potentially controversial ideas - often being developed by neighborhood citizen groups. The project concepts were then able to drift up through the system. Very often someone from the neighborhood group would get elected to the City Council on the basis of the issue, thus providing a base and political structure to carry it through.

In response to an expression of interest by the city, we conducted a rather quick analysis of two road pricing and parking pricing concepts in the summer of 1976. The

report was basically an overview describing some of the impacts which a road pricing concept could have and some of the benefits. We recognized that this was just an overview and that we needed to do more studying in order to answer specific questions. When we finished that initial study, we made a presentation to a group that consisted of a transportation commission and the planning commission. In Madison, these commissions are made up of staff members from the technical agencies, political representatives, and also general citizens. At this point, we were not asking them to make any commitment to implementation of a pricing scheme but rather to go ahead with further studies. About a month later, the commissions met individually and voted not to continue with the study. They rejected it for a number of reasons which had to do with many of the same issues that were raised in Berkeley, such as the image of the city, questions of equity, concern about bus operating costs, and some comments the commission members had received from various constituents.

In September of 1977, approximately one year after presentation of our initial report, we interviewed a variety of people who had participated in the decision not to continue the study. We had some concern that going back a year later would be a problem -- that is, people would not recall very much about the concept. In fact, I think that it may have been beneficial to go back after a full year because most people had forgotten various details of the proposal but remembered the important things that influenced their decision to support or not to support further studies. The people we interviewed who had been involved in the decision to discontinue the study included political office holders, council men and women, the mayor, technical staff both at the city and county level, merchants, the vice president of a bank, and a number of other active citizens who did not hold official positions. We also interviewed representatives of the media (television, radio, and newspaper reporters) who had covered the study. One thing that I found interesting was that some of the media representatives refused to talk to us. They thought that this was not their role. However, those who did speak with us were quite honest and stated that when they heard about the concept they looked for what they considered to be the most newsworthy aspects. While the news media attempted to give a fairly accurate report of the concept, lead paragraphs often mentioned toll booths to get the attention of the people.

We found that the quality of information which the people received tended to vary quite a bit with the source of information they used. Those who talked directly to the city staff tended to get quite an accurate picture of what we were proposing. We had been concerned that, in part, the pricing demonstration study had been confused because the people could not understand what it was about. In fact, we found they turned it down because they did understand what it was about. We also found that some people did not obtain their information through standard sources. These people tended to ask their friends or use informal channels of communication which are strong and well

structured in Madison. Active citizens would meet politicians at cocktail parties or on the street and discuss the pricing concepts as well as other issues which were current at Madison. Much of the information about the pricing project was conveyed more through this informal network than in formal meetings. On the other hand, we also found that certain members of the community seemed to have been left out of this network. We got this perception very strongly from one of the major downtown merchants who felt that he did not know what was going on at City Hall and City Hall had not talked to him. These people who could have been very influential in swinging the decision regarding the pricing studies one way or the other were, in fact, outside of the system.

We also found that some of the local individuals were knowledgeable about the concepts of road pricing even before we started our studies. However, the people in the groups that conceivably would have supported the concept and would have derived some benefit, either in terms of reduced traffic in their neighborhood or better transit service, never took the steps that would have been necessary to build support. They never said "Hey we support that," nor did they try to get any community group to pass a resolution to say "We are in favor of that". Some of these people, when we talked to them a year later, indicated that they really wished the study had continued, that they now think it would have been good. Consequently, the opponents did not have to do very much in order to stop the studies; they only had to make a few phone calls to a local official or to an agency staff member to express their concerns - equity, the image of Madison, toll gates, etc. Almost any negative issue was enough to influence a negative vote. At any rate, our interviews indicated that support could have been built for the study

#### CONCLUDING COMMENTS ON THE BERKELEY AND MADISON EXPERIENCE, Tom Higgins

Speaking to the panelists for a moment, let me ask this question. Suppose I came into your city with some Washington consultants and analysts and said we would like to study three ways to ruin your economy and image, and then citizens and maybe certain interest groups and decision makers all interacted in such a way to throw us out. I wonder if any of us would see much sense analyzing variations in the citizen participation process which would have allowed us to stay and continue the study; or would you more likely say we got what we deserved? That is, the citizen participation process and the decision making process worked appropriately, didn't it? Isn't it because we believe our intended results would be good rather than disastrous for a city that we are so interested in citizen participation?

I wonder also if some of you in the audience today are probably saying "We got what we deserved in the road pricing study". Maybe the economists aren't, but some of the citizen participation types of people probably are. It's too bad, you might say, that

the media wasn't precisely right in portraying what we were doing, that supportive citizens were not as active as the opponents, that other issues intervened, that certain parts of the concept were not heard, and that we didn't have the opportunity for more communications (particularly with the grass roots groups). But life isn't always fair - we have that now on authority - we got the road pricing concept across pretty well, as Frank was saying, so aren't we really interested in citizen participation only because we didn't get the outcome that we wanted?

I think that's precisely right. I'm convinced that we would not be so interested in citizen participation and we wouldn't be having this presentation here this morning if the outcome had been to bring something like the road pricing demonstration we hoped for. In fact, the road pricing study team knows this because we now spend more time looking at more palatable variations of the road pricing idea than we spend thinking about citizen participation information channels and the like. However, I also want to say I don't think this means we haven't learned anything about citizen participation. I would bet many of you in the audience have been in a situation of pressing for politically unpopular concepts and have drawn some good lessons about citizen participation as a result. I would argue any analyst worth his or her salt will find an idea he or she believes might save some part of the world and will want to know about ways to ensure that it gets its best chance at generating support and its best chance of being tried. So, from the admitted position of someone trying to see a particular transportation concept tried, I've drawn five seemingly simple ideas for discussion -- ideas I wish we had tuned into earlier in our work with the cities. I hope they might help anyone interested in citizen participation, because you want to see certain controversial and promising ideas implemented whether they are your ideas, the ideas of citizen groups, economists, or otherwise. Hopefully, the lessons apply whether you are working from the top down through governmental agencies, as we tended to do, or from the bottom up at the community level. A case where the lesson may not apply is where your particular idea is not controversial.

#### Lessons Learned

**First Lesson:** Discuss the concept with decision makers, citizens' group representatives, and interest group leaders on a one to one basis and get their reaction before holding larger meetings to explain the concept. I think we learned that large meetings risk a certain amount of misunderstanding and don't necessarily elicit the most frank responses from public figures. This step would give you the first outline of a kind of "map" that tells you where different actors and interests stand and whether or not it is worth going ahead.

**Second Lesson:** This one was taught us directly by a very savvy decision maker in Madison. Ask people you know in the community to name media representatives who are good at the job of communicating potentially

controversial ideas. Then seek out the best people before any large meetings and discuss the concept with them and answer questions. The media obviously can't and won't be co-opted, but trying to get the story as straight as possible is worth some effort.

**Third Lesson:** Be sure you have got a good "lightning rod person". In our case where we were working with cities to study and implement the concept, we needed someone to answer the citizens' questions, set up informational meetings, perhaps answer a hot line, and prepare our newsletters. Washington analysts can't do this unless an office is set up on site. Local consultants trying to play this lightning rod role find that they can get burned doing it. The citizens see the consultant coming to represent the cities' viewpoints and simply cuts him or her off as soon as the heat is on. I don't know if that reaction of the city is more or less ethical than the consultant himself trying to play the lightning rod role. Whatever the case, there is a risk that the consultant will appear to speak with the city. Perhaps in our case planning funds should have been available for this lightning rod-type person to be within the city structure.

**Fourth Lesson:** Be sure that the concept itself is capable of variation. Whether your concept is likely to generate heat, resistance, or conflict, you need to be open to making changes within it, both for your sake and for the sake of the area you are in (though I once couldn't imagine how our sacred road pricing concept could be altered). We have now spent a considerable amount of time trying to think about variations on the theme, thanks to the citizens of Berkeley and Madison.

**Fifth Lesson:** Watch more than just the citizen participation and the transportation literature when you are thinking about citizen participation. I would suggest particularly that you look at policy analysis journals like Public Interest and Policy Analysis. These journals are giving more attention to frustrated studies and demonstration attempts. These cases come from health, education, housing and other issue areas. There are very good lessons in this literature about implementation and about the role of citizen participation in implementation. There is some particularly good material on why Washington-based ideas flounder at the local level. I'm thinking of a recent article in the Public Interest on educational vouchers, where one could have taken the word "road pricing" and inserted it for "educational vouchers" and come up with our particular story.

#### A POLITICAL SCIENTIST'S COMMENTARY ON THE BERKELEY/MADISON EXPERIENCE, Arnold M. Howitt

We confront a troublesome dilemma. For years some transportation economists and planners have advocated the use of pricing schemes to allocate road space more rationally in congested urban areas. Yet, despite the enthusiasm reflected in professional journals and conference sessions, they have been deeply disappointed that these schemes have not been implemented.

Some proponents of road pricing comfort themselves by thinking that the public lacks sufficient information about the potential benefits of these policies. By that reasoning, we might conclude that public opposition could be overcome by better dissemination of information or more effective salesmanship. That conclusion, I believe, is simplistic. Road pricing experiments have so far proved politically infeasible. It is not by chance that when Urban Mass Transportation Administration went searching for demonstration sites it wound up in Berkeley and Madison, university communities noted for unconventional politics. Even there, as we have heard, pricing policies were too hot politically to survive a preliminary study. If we hope to promote experimental implementation of road pricing policies, we must be far more penetrating in our analysis of the political obstacles involved.

#### Patterns of Political Support and Opposition

To some, the public reaction to UMTA's proposed road-pricing demonstration was a startling occurrence. Virtually no citizens' groups or individuals spoke out in favor of the experiments, while many expressed intense opposition. In fact, however, that outcome was predictable. As political scientists James Q. Wilson and Alan Altshuler suggest, we can account for varying patterns of political activity by analyzing how citizens perceive the potential impacts of a policy measure. We know, first, that citizens act defensively. They are more likely to organize or speak up in response to sudden or large decreases in net benefits than to the promise of increased benefits; they are more oriented toward threats than opportunities. We also know that the distribution of costs and benefits shapes patterns of political support and opposition. Several dimensions of that distribution are important:

1. Costs or benefits may be concentrated on individuals or relatively small groups of people, or they may be widely diffused throughout society. Concentrated impacts make political action more probable, because there are stronger incentives for individuals. When only a few are affected, the efforts of a single individual are more likely to influence the outcome than when many are involved; and, in a small group, those efforts are more likely to be recognized and rewarded by one's peers. Furthermore, political activity is more likely to result when policy impacts are felt by individuals who share a common identity and who have established relationships than when policy effects are widely dispersed among a heterogeneous population.
2. Individuals assess the magnitude of policy or benefits. Unsurprisingly, large impacts are more likely to motivate political action than small ones.
3. Citizens tend to be more sensitive to immediate costs or benefits than to the long-range effects.
4. Individuals are more likely to take political action when they can directly identify impacts as the consequence of

specific government actions than when policy impacts are felt indirectly.

As a result, we should expect to find more vigorous political activity when citizens are warding off threats to their current life circumstances rather than seeking to improve them, and when either costs or benefits are concentrated, large, immediate, and seen as directly linked to specific policies. The probability of political action declines when these conditions are reversed.

This theoretical framework can help us account for the great reluctance of public officials to promote road pricing schemes and help us explain the patterns of political support and opposition that emerge when a demonstration is proposed. Let us consider how citizens are likely to perceive the potential benefits and costs of a road pricing experiment.

What benefits do advocates of pricing policies promise? Most commonly mentioned are more efficient utilization of road space, shorter travel times as congestion is reduced, air quality improvements, energy conservation, better access for pedestrians, and increased tax revenues. Brief reflection suggests why there has been so little political support for the proposed UMTA demonstrations. The impact of each of these benefits is widely dispersed among large numbers of people, and the net increase in benefits for any particular individual is fairly small. Furthermore, the impacts of many of these benefits extend over relatively long periods of time, and the typical citizen may fail to notice some of them or fail to perceive them as a consequence of the pricing policies. As a result, it is very difficult to stir up a positive political response to pricing proposals. We do not find political organizations of commuters or pedestrians; no group presses strongly for energy conservation; and, until recently, few spoke out for clean air. Nor are individuals who favor the policy likely to support it actively, even to the extent of writing or phoning public officials. The stakes are so low that few people will make the effort; and since "the government" sponsors the project, it does not seem to need persuasion. Therefore, public officials who promote pricing experiments -- whether or not at UMTA's urging -- should expect little active political support, either from organized interests or from individuals.

The costs imposed by road pricing schemes are far more likely to stimulate active political opposition. Among these costs are some that are also widely dispersed among the population, for example the disruption or normal travel to work or shopping and the monetary costs imposed to ration use of congested roads, bridges, and tunnels. Individuals must find new ways to get to work, change their schedules, or pay for an opportunity to travel that was previously free. For any particular citizen, these costs are moderately large, immediate, and easily perceived as a direct effect of the road pricing scheme. While the diffusion of costs makes organized opposition by commuters unlikely, the other characteristics of these costs tend to stimulate individual protests.



That accounts for the angry phone calls to politicians and the letters to the editor prompted by the announcement of the Urban Institute's studies of pricing policies. If a pricing scheme were actually implemented, one could expect a crescendo of protest.

Not all costs of a pricing experiment are widely diffused and only moderately large. Certain individuals and groups are likely to perceive substantial concentrated costs. If the pricing scheme required a daily license for travel to the central business district, a number of interests would be affected. Retail merchants might fear that their customers would be diverted to suburban shopping malls. Employers might be concerned that their workers would have difficulty reaching work on time. Operators of delivery vehicles might worry about disruption of their schedules. Parking lot operators might fear a decline in patronage if commuters or shoppers switched to transit. If residential neighborhoods exist just outside the proposed licensed area, residents might fear a sudden influx of extra traffic searching for fringe parking. In some cases, the negative consequences anticipated by these interests may seem far-fetched to proponents of the pricing scheme. But the potentially affected individuals or firms are likely to respond to the threat of damaging impacts, despite uncertainty; defensive behavior is the norm when the stakes are high. These interests can mobilize relatively easily to oppose public policy. In some instances, they already have organizations to promote their interests, for example retail trade boards, chambers of commerce, associations of garage operators, and neighborhood improvement groups. When such organizations do not exist, they may be created in response to the perceived common threat.

#### The Risks for Public Officials

If this analysis is correct, then public officials who consider road-pricing schemes confront a difficult and risky situation. On one hand, the public is unlikely to press spontaneously for such policies, and an official would have difficulty stimulating even a modest demonstration of public support. On the other hand, intense opposition is quite likely to emerge. Because astute politicians recognize this situation intuitively, most shy away from UMTA's road pricing demonstrations. Those who do not immediately perceive the risks, or who hope to buck the odds, are likely to be frightened off when vigorous opposition develops; that appears to have happened in Berkeley and Madison.

It is important to recognize that this situation is not simply the result of inadequate efforts to convince citizens of the benefits of road pricing policies. Instead it is a consequence of the particular distribution of the costs and benefits of these policies; the patterns of political support and opposition are a structural feature of the policy arena. Other policy issues that are characterized by similar distributions of benefits encounter similar political obstacles.

Environmental policy illustrates the problem that makes the road pricing situation

particularly difficult. Despite the diffusion of benefits, it has sometimes been possible to build a constituency for environmental controls even when there is strong opposition from those who absorb concentrated costs (for example, industrial polluters). But it has often proved politically impossible to implement environmental policies when significant costs are more widely diffused, as has been the case with the transportation control plans promulgated by EPA since 1973.

The prospects of successful implementation of road pricing experiments might be somewhat improved by three strategies. First, advocates could scale down their aspirations. Less ambitious schemes -- smaller licensing areas, for example -- would threaten fewer interests and minimize active opposition. Second, proponents of pricing policies could aggressively promote multi-issue arguments in favor of their position. They should not depend on the rationale that they find persuasive -- for example, congestion reduction -- to convince all others. Skillful public relations might indeed redefine some perceptions of the balance of costs and benefits. Finally, UMTA should continue to lend support to pricing experiments. Its financial support reduces some of the risks accepted by cooperative public officials. And, under certain circumstances, it can compensate some who feel disadvantaged, for example, by showing merchants that improved transit service will substitute for reduced auto access.

Nonetheless, I am pessimistic. The picture of the problems of citizen involvement is essentially a bleak one. Furthermore, the focus of this panel and lack of time prevent me from sketching out a set of bureaucratic problems that complement the constituency dilemma. At least in the short run, the prospects for implementing significant road-pricing experiments seem poor.

#### PANEL DISCUSSION

Sid Davis, Atlanta University

One of the most significant results of the attempt to experiment with transportation pricing schemes has been the ability of the Urban Mass Transportation Administration (UMTA) staff to learn from their failure to get communities to agree to actually carry out experiments -- perhaps expensive lessons but, nonetheless, very educational.

By their own admission, they now realize the range of pricing options presented to the communities was unnecessarily constrained by notions of what might be desirable as pricing experiments, rather than helping communities understand that a pricing scheme might be an appropriate tool in dealing with a transportation related community problem. Bert Arrillaga has clearly indicated that he intends to expand the "menu" of pricing experiment options so that the communities might be more amenable to serving as sites for these kinds of project demonstration efforts.

It also seems that most of the persons involved in attempting to promote these particular schemes understand that they should not a priori assume that the reactions of the community and the ultimate rejection of their proposals were not appropriate responses, and that better "marketing" would have made the proposal acceptable. While we must be cautious in how we judge public response and not become obsequious to notions of the infallibility of these demonstrations of feelings, at the same time we had better be sensitive and politically perceptive about the information that is being communicated by such community responses.

We should realize, for example, that the objective of the use of pricing schemes to constrain vehicle use is counter intuitive to the past body of experiences of most people. They probably wondered how it would be possible to maintain (and even increase) activities in the community and, at the same time, reduce the number of vehicles. This is certainly the concern of business people, who associate traffic with store volumes, and ultimately, their own profits. The proposals also could be perceived to be discriminatory use of a public good directly used to improve the mobility of the more affluent who could afford to pay the "price", although I am not sure that such distributional equity problems were associated with these particular proposals.

It is interesting that we provide substantial resources to develop plans and devise abstract models of consumer behavior but neglect to, a priori, consider with any elegance the behavioral response of communities, especially in relationship to such sensitive and potentially controversial issues as transportation planning. We seem to be willing to learn "after the fact" about citizen response and that is very expensive on-the-job training.

Earl Robb, Virginia Department of Highways and Transportation

The experience of Berkeley and Madison has been an interesting situation. It reminds me of my first experience many years ago with public participation. We held a project public hearing in a small rural farming community concerning a secondary road improvement. The public hearing took place in a local high school auditorium with about 50 farmers and their families in attendance. Arrangements for the hearing included the display of detailed engineering drawings, the dissemination of technically oriented study reports, and placement of a microphone for recording purposes. The contingent of highway engineers paraded before the audience presenting superb dissertations on the merits of the proposed improvement. The presentations were followed by an invitation to the citizens to move forward, speak into the microphone, and comment on the proposal. An elderly farmer rose, walked to the front of the audience, passed the microphone, positioned himself in front of one of the sound speakers used with the public address amplification system, and proceeded to give his comments.

In one respect this could be perceived as a very humorous situation. In reality it drove home the point that we often assume too much in preparing for public participation. If the old farmer had difficulty distinguishing between the microphone and the speaker system, how much did he really understand of our superb engineering presentations?

Sound communication techniques are the basis of any public participation program. We must attempt to identify the values and expectations of the citizens. We must ensure that our plans and terminology are understood. We must, as a prerequisite for public participation, attempt to identify community goals and objectives and to relate those goals and objectives to our proposals.

There is a great danger in assuming that the local political structure speaks for the citizen in every situation. Many in the public sector view public administrators and elected officials with a degree of distrust. While the public demands service from government officials, it does not relinquish its right to be properly informed and to be included in the decision making process.

Public participation must be initiated during the earliest stages of the program planning. The existing organizational structures should be employed as a mechanism for accomplishing meaningful citizen involvement and great care should be taken to avoid a segmented concept in the introduction of a new project. Any proposal as complex as transportation pricing should be incorporated with regional or areawide planning. It is difficult to justify radical new concepts without first relating the benefits of such concepts to a total transportation package.

The study presented has a great deal of merit; however, it should now be obvious that implementation of such projects will be extremely difficult in the absence of public support.

Robert Hixson, Federal Aviation Administration

I feel that the key to your problems may be that of confusing planning with implementation. Citizen participation is not a public relations tool. It is not intended as a tool to sell a preconceived plan. It is instead an integral part of the planning process.

You have a product to sell, road pricing. It is a possible solution to the problems of congestion and air pollution. But it is only one from among perhaps many possible solutions. Your approach, with citizen participation, should have been problem oriented. You should have enlisted the participation of the citizens to solve the problems at hand, including your product -- road pricing -- as one of the alternatives for their consideration. Your solution was being imposed upon rather than being assumed by the citizens. The solution was preconceived rather than growing out of the citizen participation activities.

A good example of this was the Gruen Plan for downtown Fort Worth, Texas. It was a good plan, which significantly advanced the concepts of what a city center could be and which is still having positive effects upon

urban planning. Everyone thought that it was just great; that is, everyone except the citizens of Fort Worth. They wondered who was this guy Gruen and what business did he have in redesigning Fort Worth. No one had asked them if they wanted an auto-free downtown. In reaction, they turned down the whole concept.

I cannot overstress the importance of early involvement. Citizens should be involved before even the basic directions are set -- they may want some other direction. You first present the problem as you perceive it and then listen to the citizens' perception of the problem. Then you and the citizens, working together, seek the solution. You present your product -- road pricing -- as one of the alternatives; but you must also present all the other viable alternatives, including those of no action and of building an alternate by-pass route. Then you must make your best estimate of the social, economic, and environmental costs of each alternative. Then you ask the citizens to make the tradeoffs and select the alternative that suits them best. If it is the best solution in the circumstance, with all of the factors considered, then they will probably select your road pricing scheme.

You can perhaps influence the citizens' choice by offering a big enough carrot -- perhaps grants for a big improvement to the public transit system to improve service, buy new buses, or reduce the fares or perhaps a grant for a people mover system -- linked to approval of your road pricing scheme.

In any case, you must recognize that you are taking away what citizens view as rights they already have and which are highly visible in return for benefits of low visibility -- air pollution, fuel savings, or capital not spent on new roads. Further, some "privileged" groups are hardly impacted at all -- they may actually benefit through less congestion and less air pollution, all for the price of a sticker. The cost of the sticker can be quite variable according to income or to values gained. It is even possible that, with a large, gas hungry car, a \$5 a month sticker might save that much in gasoline if the congestion were removed.

In summary, you have a very sticky situation in trying to find a problem to suit your solution. Citizen participation is certainly a viable tool to help determine whether your solution fits a particular community's problems, provided that the citizen participation is an integral part of the planning process and is not merely a P.R. tool used to sell your solution to a community upon which you feel it fits.

#### SUMMARY

Realizing that dealing with different people at different times under different circumstances yields an infinite number of situations, it becomes obvious that any rules governing citizen participation have to be dynamic. Therefore, the intent of this session was not to postulate solutions to the problems experienced in the Berkeley and Madison pricing projects: rather, the purpose

was to identify the factors contributing to the demise of the pricing schemes and to formulate specific observations which would serve as caveats to those embarking on similar adventures in the future. The issues listed below are the product of the synthesis of the ideas expressed by the session speakers and the panelists with those expressed by the audience.

#### Issues

1. The pricing concept should be compatible with the comprehensive traffic plan for the study area; that is, it should strive to help solve the overall traffic problem and not just to prove that an isolated project is successful.
2. The project should be seen by the community as one of their major problem areas. If the community perceives crime to be a major problem area they cannot be expected to enthusiastically support the city spending money on a traffic problem. Even if the community senses that there is a major traffic problem, the focus that the project takes must be explained. For example, if the community perceives that the traffic problem has to do with parking, will they really support a project which is aimed at lessening the problem?
3. Limitations should be set on the project to allow a high degree of success. That is, it has been suggested that a toll bridge would be an ideal place for attempting pricing controls to regulate congestion because, with the toll bridge, dramatic results can be recognized without too much change in individual habit patterns and with minimum of investment.
4. The public must be made aware of the details of the project. The expectations should be clear and the benefits that are to be derived should be realistic.
5. Proposals must be sufficiently flexible to allow them to be changed to better respond to community concerns, needs, and political climates.
6. Input from the public should be solicited and all efforts should be made to incorporate public opinion into the project to the extent possible. However, in attempting to modify the concepts of pricing to meet the public's expectations, care must be taken that we do not lose sight of the original objective of using pricing as a control and begin to think generally about "ways to reduce traffic congestion."
7. What are the best community interaction strategies that can be used to inform a broad section of the population about the elements of a program?
8. Given the type of projects explained in this session what will be the best time to involve citizens in the program -- during the study phase, the pre-implementation phase, the implementation phase, or throughout the whole project development period?
9. What are the ways of finding, developing and keeping a constituency for the projects?
10. What measures can be taken to prevent biased press coverage?
11. What is the best time to inform the press, and what channels of information can

be used to ensure that correct information is provided continuously?

12. What are the ethics of the situation where an organization goes into a community and attempts to build support for an idea that has not been locally generated?

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