The Downtown Charge

Weigh the trade-offs behind a city policy

E.C.10.3 "Analyze the costs and benefits of government economic policies, including how political and social goals may influence economic decision-making."

NAME _____ DATE _____

1 READ AND MARK

Read it twice

YOUR JOB As you read, underline two possible economic benefits and circle two possible economic costs. Write 1 beside a social goal and 2 beside a political goal to track what else shapes the council's decision.

Should Bayport Charge Drivers?

1. In the fictional city of Bayport, buses crawl through downtown traffic each morning. The city council is considering an $8 charge for drivers who enter downtown between 7 and 9 a.m. The charge would not apply to buses. Officials predict that some commuters would switch to buses or travel later, leaving fewer cars on crowded streets. Faster bus trips could help workers arrive on time and reduce fuel wasted in traffic. The city would spend the money collected on more frequent bus service. However, installing payment equipment and enforcing the charge would cost money, so not every dollar collected would reach the buses.

2. The policy could also create uneven costs. A nurse whose shift starts at 7:30 a.m. might have no reliable bus route and would pay the charge to drive. A downtown shop owner might worry that customers will avoid the area, although faster deliveries could help the shop. Some council members propose waiving the charge for residents with low incomes. That exemption could protect workers with few travel choices, a social goal, but it would also reduce revenue and might leave more cars on the streets. The council must compare those effects rather than treat the exemption as costless.

3. An election is approaching, and several council members want to show voters they are responding to traffic complaints. Others fear that drivers will blame them for a new fee. One member suggests delaying the charge until after the election. A delay might ease political pressure, but commuters would keep facing the same slow trips in the meantime. The council could instead start a six-month trial and publish changes in bus travel times, traffic, and revenue. A trial would provide evidence before a permanent vote, though it would still require equipment and could leave drivers uncertain about future costs.

2 ANSWER WITH EVIDENCE

Use the passage

1. How could the charge benefit bus riders, and what expense would limit how much the city could spend on bus service?

2. How might the proposed low-income exemption advance a social goal while weakening two other goals of the charge?

3. What is one possible cost and one possible benefit of the charge for the downtown shop owner?

4. Why might a council member favor delaying the charge until after the election, and what would commuters lose during the delay?

3 YOUR TURN

Your own words

Propose one change to Bayport's plan other than the exemption, election delay, or trial in the passage. In 4 to 5 sentences, name a social or political goal, explain one likely economic benefit and one likely economic cost, and identify who would bear that cost.

ANSWER KEY

The Downtown Charge

HIGH SCHOOL · E.C.10.3

PART 1 · READ AND MARK

As you read, underline two possible economic benefits and circle two possible economic costs. Write 1 beside a social goal and 2 beside a political goal to track what else shapes the council's decision. Accept any marking that follows this job and points at the right text.

PART 2 · ANSWERS

#	QUESTION	ANSWER
1	How could the charge benefit bus riders, and what expense would limit how much the city could spend on bus service?	**Fewer cars could make bus trips faster, and charge revenue could fund more frequent service. Payment equipment and enforcement would use some of that revenue.**
2	How might the proposed low-income exemption advance a social goal while weakening two other goals of the charge?	**It could protect workers with few travel choices from paying the fee, but it could reduce revenue for buses and leave more cars on the streets.**
3	What is one possible cost and one possible benefit of the charge for the downtown shop owner?	**The shop might lose customers who avoid downtown, but faster deliveries could help its business.**
4	Why might a council member favor delaying the charge until after the election, and what would commuters lose during the delay?	**A delay might ease political pressure from drivers who oppose the fee. Commuters would continue to face slow trips.**

PART 3 · YOUR TURN (SAMPLE ANSWER)

I would use part of the charge revenue to add an early bus route for hospital workers. This supports the social goal of giving workers with early shifts another way to reach their jobs. The route could help some workers avoid the $8 fee and reduce downtown traffic. The city would pay to operate the route with charge revenue, leaving less money for other bus service.

Accept other passage-supported effects in the short answers. For the open task, accept a plausible new policy change if the response connects a social or political goal to an economic benefit, an economic cost, and who bears that cost.