

The costs of congestion



Costs are divided into private costs and cost to third parties. The cost to the third party is called an externality. Private costs are costs that are personal to a person or company and so an example of that would be fuelling an airplane with petrol. Externalities occur when a person is doing something, but the full cost of doing the thing is not paid. An example of this is pollution, because no one actually pays for the damage caused. The most efficient outcome to society would be when marginal social cost and marginal social benefit equal each other.

The externalities that are caused have to be the main problem.

The environment is greatly damaged because of this. The more vehicles driven, the more the pollution caused. 44% of nitrogen oxide emissions in the UK come from cars. Cars also contribute to 24% of carbon dioxide emissions. Both nitrogen oxide and carbon dioxide are big contributions to global warming. Because of global warming, the Earth's average temperature rises which causes sea levels to also rise. Nitrogen oxide also harms the body's respiratory and immune systems.

Carbon monoxide reduces the oxygen carrying capacity of the blood and could prove to be fatal. The UK road traffic is responsible for 69% of Carbon monoxide emissions.

Another externality that is less obvious is noise pollution. This occurs because of vehicles. It causes a lot of disturbance to people. There are very few places left in England where noise pollution doesn't affect anyone in anyway.

To reduce car congestion a number of ways have been developed to try and achieve the aim.

'A new deal for transport' was published which outlined policies to create a better public transport system. The increase use of public transport would mean that congestion would be cut enormously as cars won't be in much usage.

The congestion charge in London that was introduced last February was developed to try and cut the congestion problem in the centre of London. This would be effective as people could be put off with the £5 charge and would rather use the public transport as it is cheaper. As this scheme is seen to be a long term success, other cities may well introduce them too. A criticism of the congestion in London however is that rich people would be able to pay and the people on lower incomes wouldn't. Although the money gained from the charges would then be used to improve public transport.

To carry on using cars and not polluting the environment would be impossible, unless you switch to cars that run on hydrogen. This would be more environmentally friendly as they emit less pollution than petrol. However the downside of this is that in current times, these cars are very expensive. In the future we may be able to see more of these cars being manufactured and slowly replacing the petrol-run cars.