Free parking is welfare

By: <u>Timothy P. Carney</u> Senior Examiner Columnist 09/02/10 9:00 AM PDT

When D.C. recently doubled its parking meter rates, many folks called it a tax hike. But it's not. It's a price hike — on a product already being subsidized by the taxpayers.

Parking is an issue where I think Left and Right should agree. Liberals want people to drive cars less. Conservatives want markets, rather than government, to set the price of things.

It turns out that we could do some good by ending government subsidies and getting rid of laws that require developers to build parking. Tyler Cowen, a free-market economist, discussed this in a NY Times Op-Ed headlined "Free Parking Comes at a Price."

This has set off an interesting (if at times overly wonky) debate, with Cato Institute's Randall O'Toole and L.A. academic Donald Shoup weighing in.

I'm pretty convinced by Shoup and Cowen that government does subsidize parking and that it shouldn't. I would go further: highways should be paid for — their construction and their maintenance — by tolls, and cities should pay for their local roads with some combination of congestion fees and more expensive residential parking permits.