Implementing the impossible?
- lessons from the Stockholm congestion tax

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Research context

Research on the Sthlm congestion tax done in close collaboration with:

» Anders Gullberg, Stockholm research institute, Sweden

» Tim Richardson, Aalborg University, Denmark

» The OPTIC-research programme:
  » AustriaTech GmbH, Austria
  » Centrum dopravniho vyzkumu, v.v.i., Czech Republic
  » Department of Transport, Technical University of Denmark
  » Karlsruhe Institute of Technology (KIT), Germany
  » Institute of Transport Economics (TØI), Norway (coordinator)
  » Transport Studies Unit, University of Oxford, UK
  » Royal Institute of Technology (KTH), Sweden
  » Swedish National Road and Transport Research Institute (VTI)
The Stockholm congestion tax

» Motor vehicles passing one of the 18 charging stations have to pay
» Camera technology
» 10, 15 or 20 SEK (1, 1.5 or 2 Euro) per passage, depending on time of day
» Journeys charged weekdays 06.30-18.29. Max 60 SEK/day.
» No tax on Essingeleden (main road)
» During the trial: tax revenue earmarked for public transport
» Permanent scheme: tax revenue earmarked for Stockholm bypass.
## Key dates from trial to permanent scheme

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<td>Decision to implement a congestion tax on a trial basis</td>
<td>Congestion tax trial (improved bus service started already Aug 2005)</td>
<td>Public referendum in the city of Stockholm: YES: 51.3 % NO: 45.5 %</td>
<td>New political majority decides to implement a permanent scheme</td>
<td>Permanent scheme starts</td>
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Looking back: the political context

» Traffic-related problems have been high on the agenda in Stockholm since the late 1960’s
» Road pricing have been discussed since the early 1970’s
» Several attempts have been made to adopt policy packages including road pricing
» Major political parties have learned to not champion road pricing policies
» By the late 1990’s, the question of congestion charging seemed dead
The 2002 election

» Local social democratic leader Billström had promised to *not* implement road charging

» Election result:
  » Social democrats did not get majority position
  » Green Party held the balance of power
  » "Window of opportunity"
    → Congestion charging was the Green party’s demand to support social democrats

"A full-scale trial over several years with congestion charging is to be carried out in the inner city of Stockholm”

(Gov. agreement 1/10/2002)
Many barriers

» Massive negative reactions among a variety of actors
» Mayor Billström accused for betrayal
» Internal problems within the Social democratic party
» The congestion charge was legally obscure – was it a charge or a tax?
» Legislation nonexistent

» Unclear roles and responsibilities among key organisations
» Resistance within key institutions
» No clear idea of how the scheme would look like – technical and practical challenges
» etc…

How did implementation happen?
The implementation strategy

A strategy evolving over time, involving four key aspects:

» 1. The general approach: trial+referendum
» 2. A flexible approach towards the scheme design
» 3. Setting the limits for the referendum
» 4. The information and communication-strategy

(Isaksson & Richardson 2009, Gullberg and Isaksson 2009)
“This is such an odd issue, so it wouldn’t be possible to vote in advance, because then you wouldn’t know what you vote about. /…/ This is an issue where people need to get a chance to see for themselves, to get an experience ’is it good?', 'is it bad?', 'how can it be improved?', and so on. I was convinced that the referendum should be held after the trial.”

2) A flexible approach towards the design of the scheme

For instance: no tax on Essingeleden (for acceptance reasons)

“We were very anxious about this – was it worth it, to implement a trial with no charges on Essingeleden? Should we refuse? But eventually, we thought that /.../ the system could be good enough anyway.”

(Green Party politician 28/02/2007)
Accepting a much shorter trial than intended due to the delay in the legislative process

"We wanted a solid trial, with a clear and measurable impact. We thought that too short a trial, much less than one year would only make a mess in peoples’ lives, with no clear output."

(Left party politician 06/02/2007)

“If we did not conclude it in good time before the election, people wouldn’t really trust that it was a trial. /.../.”

(Mayor Billström 17/04/2007)
3) Setting the limits for the referendum

» The local coalition promised to follow the result of the referendum in Stockholm municipality (where the main positive effects were expected)

» Surrounding municipalities were much more negative and held their own referendums

» City of Stockholm:
  » YES: 51,3 %
  » NO: 45,5 %

» Average results from 14 referendums held in other municipalities in the region:
  » YES: 39,8 %
  » NO: 60,2 %
4) The information and communication strategy

» "neutral" partner (Road Administration) responsible for all the "how"-questions

» when trial started: results communicated from day 1

“You can’t run a trial for a year and then make an analysis and show the results. /…/ If we wanted to give input to the media picture, we had to produce results within 6 hours. /…/ Success or failure – people would get to know what actually happened. /…/ “

(Evaluation steering group manager 16/01/2007)
Results of the trial

» Average traffic to, from and within the inner city reduced by ~22%
» On orbital roads, traffic remained more or less unchanged
» Decreased journey times (except from Essingeleden where the journey times increased slightly)

» Increases in numbers of travels by public transport

(find more info at
www.stockholm.se
www.stockholmsforsoket.se)
October 2006: decision on a permanent scheme

» Sep 2006: a new political majority both nationally, and in the city and region of Stockholm

» The main parties in the new government coalition had been strongly against congestion taxation (at least formally)

» The referendum result was their main argument for deciding on a permanent scheme
The permanent scheme

- Same cordon, same tariffs, same times of day and days of week

Differences:
- Congestion taxation made part of the overall “Traffic solution” for Stockholm, including massive investments in both public transport and new road infrastructure
- Tax revenue now earmarked for new road investment: the Stockholm Bypass

www.trafikverket.se
Lessons learned
- two alternative interpretations

a) Stockholm – ”the success story” of implementing the impossible

» An unexpected event / window of opportunity – and actors who took the chance
» No single champion, instead a joint process, involving a range of actors from various institutions
» An innovative strategy to create legitimacy: ’persuasion through experience’ with the trial+referendum-approach
» An incremental process, evolving stepwise, making necessary adjustments along the way
» A risky process, a considerable amount of political courage was needed
» …eventually even leading to public support and a permanent scheme in place
b) Stockholm – the cost of avoiding conflict

» ‘persuasion through experience’ = a strategy for subtly managing urban mobility, bypassing resistance

» In the process, partners worked successfully to suppress conflict and work towards consensus and successful policy implementation, but perhaps at a cost:

  a lack of discussion over the difficult question of sustainable urban mobility and what that would imply, concretely, for a city like Stockholm

» The referendum created legitimacy for congestion charging – but still uncertain for what purpose: slightly revising existing mobility patterns or aiming for radical transformation?

(Isaksson and Richardson 2009, Richardson et al 2010)
Final reflections

» The story of the Stockholm congestion tax illustrates:

...how a contested policy instrument can be successfully implemented "against all odds"

» ...how congestion taxation, once in place, can be framed and reframed to produce radically different mobility interventions (Richardson et al 2010)

» Policy does not stop when implementation is finished
Tack!

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More about OPTIC-project at: http://optic.toi.no