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Why UBER Wants Congestion Tax

UBER wants driving for regular folks so expensive to drive them to use it

The <u>New York Post</u> exposes UBER's support for imposing a Congestion Tax on driving in Manhattan south of 60th Street:

NYU Stern School of Business professor Arun Sundararajan said it was only a matter of time before consumers started paying more for their rides.

"Early on, Uber and Lyft were losing a lot of money to build market share. The price was too low relative to the economics, and that's a common strategy. You have a ton of VC [venture capitalist] money and you're burning it by buying customers — it was natural to expect prices would go up over time," Sundararajan said. "There's [now] a wide variety of surcharges and fees. I think part of the challenge here is the company set an expectation early on that things were always going to be cheap."

Ride-share fares shot up 92% between January 2018 and July 2021, according to data from Rakuten Intelligence, and continue to climb. Back when Uber first became popular in 2013, fares were comparable to yellow cabs due to artificially lowered prices.

Read the entire article:

<u>Uber 'taking advantage' of unsafe NYC with astronomical fares:</u> <u>outraged riders</u> (New York Post, April 15, 2022)

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