

When computer programmers dabble in economics: Paying parking tickets

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One of my colleagues has a degree in economics, and sometimes it manifests itself in strange ways. My colleague moved to a new apartment building and rented a parking space in the building's garage. After a month of noticing that there was usually an empty parking space or two on the street, my colleague made the economic calculation that the risk of not finding a parking space nearby was outweighed by the savings of not paying for a monthly parking space. After a few more months, my colleague started experimenting with the alternate side of the street parking rules and noticed that they tended not to be enforced early in the morning. Once again, after some mental calculations, the extra few hours of sleep were deemed worth the additional cost of the occasional parking ticket. The saga continues. My colleague then determined that the city doesn't really care that much if you don't pay your parking ticket. (I personally find this hard to believe, but that's how my colleague described it, so there you have it.) The unpaid tickets piled up. And then something happened to put an end to this little scheme: The prospect of home ownership. My friend planned to move out of the apartment building and buy a house in a different part of the city. While the city may not care about unpaid parking tickets, banks definitely do, and it was adversely affecting the interest rates on the home loan offers. My colleague sat down and did the math and calculated that the time-discounted savings over the life of the loan outweighed the present cost of paying off all the parking tickets. Off to the parking ticket payment office we go. "Hi. I'd like to pay my parking tickets." The person at the desk took down the pertinent information and went to the computer to print out the tickets so they could be paid. This was back in the days of dot matrix printers and tractor-feed paper, so the printer buzzed noisily and could be heard throughout the room. The tickets printed. And printed. And printed. People in the office started to take notice, wandered over to the printer to see what was going on, and then, once they realized what was happening, began to clap and cheer. Handing over the check to pay for the tickets earned my colleague a standing ovation. (By the way, today is a parking holiday in Seattle.)

[Note: An incomplete version of this article was mistakenly published a day early. It has been updated to the finished version and moved to its correct publication date.]

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