

SEARCH

▶ TIMES FILE

▶ NEWS TRACKER

TimesSelect

---

Tip for TimesSelect subscribers: Want to easily save this page? Use Times File by simply clicking on the Save Article icon in the Article Tools box below.

---

## METROPOLITAN DESK

## NYC; Beware The Price Of a Slice

By **CLYDE HABERMAN** (NYT) 786 words

Published: January 12, 2002

It was too early to pop open the Champagne, but ordering a celebratory slice at the local pizza parlor did not seem out of line. Giddiness over imminent good times faded, however, when a colleague pointed out that the price of pizza suggested that the subway and bus fare would be raised before too long.

Huh?

Beware the Pizza Connection, he said, and he wasn't talking about a drug ring. He had revived a forgotten variation on the interplay of markets, New York style.

Strange though it may seem, the cost of a subway ride has traditionally paralleled the price of a pizza slice. (We're talking here about a regular slice -- mozzarella and tomato sauce, with none of those fancy-shmancy toppings that muck around with one of civilization's great achievements.) Call it, if you will, the Fasel Corollary, named for George Fasel, a vice president at Bankers Trust who made the link in a 1985 article on this newspaper's Op-Ed page.

He got it right. In 1960, for example, the fare was 15 cents. So was a slice of pizza. "I do believe there is some kind of historical correlation," said Gene Russianoff, a leader of the Straphangers Campaign, the subway-riders advocacy group. It wasn't difficult to get him waxing lyrical about his boyhood in the early 60's, when he could venture forth with a dollar in his pocket, take two subway rides, buy two pizza slices and a 10-cent soda, and still have 30 cents left.

In the early 1970's, the fare rose to 35 cents. So did pizza. Through the years, the increases went more or less in tandem. Just before the price of a subway token last went up, in 1995, it stood at \$1.25, lagging behind the \$1.35 typically charged for a slice. Obviously, it was time for a fare increase. Thus did the \$1.50 token come to be.

It remains at \$1.50. But pizza prices have not stayed put. In fact, the pizza-token gap is so large these days that it is hard to see how the subwaymeisters can hold out for long. The grease-ateria around the corner from home on the Upper West Side charges \$1.75. In Midtown, pizza parlors routinely charge \$1.90 and even \$2.

With that kind of market pressure being brought to bear, how can the \$1.50 fare survive much longer?

The problem is especially acute when you consider that New York City Transit expects an operating deficit this year of \$255 million, in large measure because few New Yorkers actually pay \$1.50. Far from it, said Albert O'Leary, spokesman for New York City Transit. With all the discounts created in recent years, he said, "we realize \$1.06 on the average fare."

The Pizza Connection is not New Yorkers' only worry.

What if the Jets, who play today in the first round of football's post-season, go all the way to win the Super Bowl? That isn't very likely to happen. This is a team that has not even made it to the Super Bowl in 33 years.

But should Jet lightning strike, the stock market could be headed for trouble in 2002, despite its splendid run in those first five days. Historically, stocks have fallen in the year of a Super Bowl victory by a team from the old American Football League. Like the Jets. The advice here is to choose your rooting interests wisely.

Bear this in mind, too. After every World Series appearance by the Mets -- in 1969, 1973, 1986 and 2000 -- Wall Street fared poorly the next year. You think this is silly? Fine. But do you have another explanation for the Crash of '87?

The far more frequent presence of the Yankees in the World Series usually leads to rises in the Dow Jones industrial average. But the Dow has also tended to do even better when the Yankees lose the Series. So their defeat in November, however painful, may be another sign that Wall Street will sparkle this year.

With the subway fare, Gov. George E. Pataki has ruled out an increase in 2002. This is, remember, an election year.

Ah, but what about 2003? That's a bit far down the road for predictions. But the way things are going, the next governor, whether Mr. Pataki or his Democratic opponent, may see no choice but to raise the fare.

There is an obvious way out, though. The state could restore traditional parity by giving pizza makers subsidies to lower their prices. Anyway, it's something to chew on.