Course Description

This course, offered every two years, is a survey of major topics in the economics of transportation regulation, geared towards substantive policy concerns and the analytical tools necessary to address those concerns. The focus of this course will be on assessing the role of government in intercity (primarily passenger air and surface freight) and urban transportation. A companion course, C&RP 776, offered every Winter, focuses on questions of investment in highway infrastructure and on urban transport concerns. Neither course is a prerequisite for the other.

Course Format

Lectures. Evaluation will be on the basis of a required paper. This paper may be on any topic within the economics or planning of transportation; however, you should clear your topic with the instructor before beginning work. There are no examinations for this course; hence it is expected that the paper will represent a substantial research effort on your part. In particular, a paper which summarizes a literature and does no original work is not acceptable.

The paper is due no later than the date of the scheduled final examination for the course (or, if you are graduating, six weekdays before graduating students’ grades are due): check the Master Schedule of Classes or with the Graduate School for the applicable date.

Prerequisites

C&RP 771 or equivalent; C&RP 781 or equivalent. The lectures will presuppose some knowledge both of quantitative methods and microeconomics. If your doubt your preparation, see the instructor.
Readings

I shall prepare a packet of most of the material from journals on the reading list, which you will be able to check out from Ellen Wallace’s office (131 Brown). Note that many of the journals are not carried by the Science Library: you should look in the Business School Library.

COURSE OUTLINE AND READING LIST

1 Basic Orientation: Perfect Competition and Why It’s Good


You may also want to review the economics of perfect competition. Some standard references are (most of these are available in later editions: I cite just the edition I happen to have):


2 Introductory Survey of Transportation Economics


3 Air Deregulation — Background


4 Air Deregulation — Assessment


5 Pricing and Investment in Airports


6 Surface Freight Operations — Background


More advanced material:


7 **Deregulation of Surface Freight Transport — Assessment**


8 **“Deregulation” of Intercity Highways**


9 **Privatization of Urban Transit**


10 **Governmental Decision-Making**


11 Efficiency Studies

