

**EC4060: Transport Economics**

The areas to be covered include road, rail, air and sea transport. The course will examine the growth of car numbers, the private and social cost of car travel in urban and rural areas; the cost of road and rail transport; the rail problem; fixed and variable costs in transport; road track costs; the cost of road freight and the social costs of heavy vehicles; the economics of airline and airport operation; port and shipping costs; investment appraisal in transport including the valuation of time and life and applications of cost benefit analysis to transport; issues in transport policy such as road pricing, market regulation and deregulation. The publications of the European Conference of Ministers of Transport, ECMT, are recommended. The Economist from time to time has good material on Transport.

**General Reading:**

There are many good texts in the area and it pays to shop around to find the one you like. The following may be of interest:

Barrett, Sean D., *Deregulation and the Airline Business in Europe*, Routledge, 2009.

Barrett, Sean D., *Transport Policy in Ireland*, IMI, 1982.

Barrett, Sean D., *Transport Policy in Ireland in the 1990's*, Gill and MacMillan, 1991.

Stubbs, P.C., Tyson, W.J. and Dalvi, M.Q., *Transport Economics*, Unwin, 1980.

Pryke, R. and Dodgson J., *The Rail Problem*, Robertson, 1975.

Gwilliam, K. and Mackie, P.J., *Economics and Transport Policy*, Unwin, 1975.

Button, K., *Transport Economics*, Elgar, 1994 and *Recent Developments in Transport Economics*, 2003.

Whitelegg, J. *Transport Policy in the EC*, Routledge, 1990.

Banister, D. and Button, K., *Transport in a Free Market Economy*, Macmillan, 1991.

Banister, D. and Berechman, J., *Transport in a Unified Europe*, Elsevier, 1993.

Barrett, Sean D., *The Outlook for European Aviation*, Trinity Economic Papers, 1997.

Mangan, J. and Hannigan, K., *Logistics and Transport in a Fast Growing Economy*, Irish Management Institute, 2000.

Button, K. and Nijkamp, P., *Classics in Transport Analysis*, Elgar, 2002.

*Journal of Air Transport Management.*

*Journal of Transport Economics and Policy.*

The Classics in Transport Analysis Series:

Vol 2, Air Transport, (eds) Forsyth, P., Button, K., Nijkamp, P.,

Vol 3, Railways, (ed) Nash, C.

Vol 4, Infrastructure, Stough, Roger, Vickerman, R., Button, K., Nijkamp, P.

Graham, A., *Aviation and Tourism*, Ashgate, 2008.

Vol 8, Urban Transport, (ed) Rietveld, P.

O'Connell, J. And Williams, S., *Air Transport in the 21<sup>st</sup> Century*, Ashgate, 2011.

### **Surface Transport:**

In this section we follow the structure of Transport Policy in Ireland to include other sources and reports.

### **The Review of Transport Policy:**

The McKinsey Report, *The Transport Challenge*, 1980.

Foster, C.D., *Transport Policy*, NESC Report 48.

Gwilliam, K. and Mackie, P.J., *Economics and Transport Policy*, Unwin, 1975, Part 1.

*Green Paper on Transport Policy*, Dublin 1985.

Barrett, Sean D., "Are Subsidies Efficient – A Sector Analysis", Irish Banking Review, summer 1988.

Evaluating Transport 21, Some Economic Aspects Quarterly Economic Commentary, ESRI, Winter 2006.

### **Regulation v. Competition:**

Glaister, S., *Fundamentals of Transport Economics*, Blackwell, 1981, Ch. 9.

Nash, C. A., *Economics of Public Transport*, Longman, 1982, Ch. 5.

Button, K., *Transport Economics*, Heinemann, 1982, Ch. 11.

Stubbs, P.C., Tyson, W.J. and Dalvi, M.Q., *Transport Economics*, Unwin, 1980, Ch. 8.

Bayliss, B., *Planning and Control in the Transport Sector*, Gower, 1981, Ch. 5-7, OECD Round Table 83, Paris, 1989.

Bannister, D. and Button, K., *Transport in a Free Market Economy*, MacMillan, 1991.

Barrett, Sean D., *Transport Deregulation and Privatisation*, in Convery, F. and McDowell, M., *Privatisation*, Gill and Macmillan, 1990.

*Regulatory Reform in Ireland*, OECD, 2001.

### **Investment Appraisal:**

Glaister, S., *Fundamentals of Transport Economics*, Blackwell, 1981, Ch. 8.

Stubbs, P.C., Tyson, W.J. and Dalvi, M.Q., *Transport Economics*, Unwin, 1980, Ch. 6.

Button, K., *Transport Economics*, Elgar, 1994.

Peters, G.H., *Cost Benefit Analysis and Public Expenditure*, Institute of Economic Affairs, 1973.

Mishan, E.J., *Elements of Cost Benefit Analysis*, 1976.

Irvin, G., *Modern Cost Benefit Methods*, Macmillan, 1978, Ch. 8.

Mishan, E.J., *Cost Benefit Analysis*, 1988.

Lomberg, B., *The Sceptical Environmentalist*, Cambridge University Press, 2004.

ESRI/DKM, *Midterm Review of the National Development Plan*, 2004.

### **The Railway Problem:**

Gwilliam, K. and Mackie, P.J., *Economics and Transport Policy*, Ch. 12.

Pryke, R. and Dodgson, J., *The Rail Problem*, Robertson, 1975.

Thomson, A.W. and Hunter, L.C., *The Nationalised Transport Industries*, Pg. 158-173.

Joy, S., Railway Track Costs, *Journal of Industrial Economics*, 1964. [Reprinted in Munby, D., *Transport*, Penguin Readings in Economics, 1968].

Foster, C., *Transport Policy*, NESR Report 48, 1980.

McKinsey and Co. Inc., *The Transport Challenge*, 1980.

Booz, Allen and Hamilton, *Strategic Rail Review*, 2003.

Oireachtas Committee on Commercial State-Sponsored Bodies, *Fourth Report*, Iarnrod Eireann, 1995.

Barrett, S., *The Strategic Rail Review, A Critique*, Quarterly Economic Commentary, (ESRI) Autumn 2003.

Department of Transport Expenditure Review of the CIE Group Subvention 2007.

The Rail Value for Money Study, (The McNulty Report) London 2011

### **The Bus Industry:**

*The McKinsey Report*, 1980, Section B.

*Transport Consultative Commission Report on the Dublin Area*, 1980, Ch. 9.

Button, K., *Transport Economics*, Heinemann, 1982, Pg. 83-88, 145-160, 280.

Oireachtas Committee on State Sponsored Bodies, *Report on CIE*, 1979, Pg. 83-91.

Hibbs, J., *Regulation: An International Study of Bus and Coach Licensing*, 1985.

*Buses*, Cmnd. Paper 9300, HMSO, 1985.

*The Competition Authority Report on the Bus and Rail Passenger Sector*, 2001.

Steer Davies Gleave, *The Regulation of Bus Transport outside the Greater Dublin Area*, 2002, Department of Transport Website.

Barrett, S., *Bus competition in Ireland, The Case for Market Forces*, Quarterly Economic Commentary, ESRI, Autumn 2004.

*Transport 21, Review, QEC*, 2006.

Barrett, S., *An Economic Analysis of the Public Transport Regulation Act 2009*, Economic and Social Review, 2011.

**Informal Urban Public Transport and Taxi Regulation:**

Barrett, S. and McLaughlin, D., *Taxi-Sharing in Northern Ireland*, Journal of Economic Affairs, October 1984.

Barrett, S., *Regulatory Capture, Property Rights and Taxi Deregulation: A Case Study*, Economic Affairs, Dec 2003.

Barrett, S., *The Sustained Impacts of Taxi Deregulation*, Economic Affairs, 2010.

**The Freight Market:**

Barrett, S. and Gaughran, E., *The Market Sector in Irish Transport*, Ch. 11, 1981.

*Road Freight Transport in Ireland in 2009*, Central Statistics Office.

*The Impact of Heavy Vehicles in Ireland*, An Foras Forbartha, 1980.

Sharp, C., *Lorries and the World We Live In*, University of Leicester, 1973.

The Armitage Report, *Report on Lorries, People and the Environment*, HMSO, 1980.

Feeney, B., *Paying for Road Damage*, in Blackwell, J. and Convery, F., *Promise and Performance, Irish Environmental Policies Analysed*, UCD, 1983.

**Road Infrastructure:**

Barrett, S. and Mooney D., *A Cost Benefit Analysis of the Naas Bypass*, Quarterly Economic Commentary, January 1984 – Reprinted 2001.

The Leitch Report, *Report of the Committee on Trunk Road Assessment*, HMSO, 1977.

Foster, C.D., *The Transport Problem*, Croom Helm, 1975, Part 3.

NESC, *Report 48*, Ch. 6.

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Downs, A., *Stuck in Traffic*, Brookings Institute, 1992.

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Barrett, S., & Walsh, B., *The User Pays Principle: Theory and Applications*, Convery, F., and Blackwell, J., *Promise & Performance, Irish Environmental Policies Analysed*, UCD, 1983.

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**Airline Regulation:**

Barrett, S., *Flying High, Airline Prices and European Regulation*, Gower / Avebury, 1987.

Cooper, M. and Maynard, A., *The Price of Air Travel*, Hobart Paper 53, Institute of Economic Affairs, 1971.

Button, K., *Wings Across Europe*, 2005.

Lawton, T., *Strategic Management in Aviation*, Ashgate 2007.

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Bailey, E., Graham, D. and Kaplan, K., *Deregulating the Airlines*, Cambridge, MIT Press, 1985.

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### **Airports:**

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Starkie, D., *The Economic Regulation of Airports*, 2004.

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Graham, Anne, *Managing Airports – An International Perspective*, Butterworth, 2001.  
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Report on Dublin Airport Charges, 2005, CAR Website

**Shipping and Ports:**

Stubbs, P.C., Tyson, W.J. and Dalvi, M.Q., *Transport Economics*, Unwin, 1980, Ch. 9.  
*Sectoral Development Committee Report on Port Costs*, 1990.  
Jansson, J. and Sheerson, D., *The Optimal Ship Size*, Journal of Transport Economics and Policy, September 1982.  
*Report of the Review Group on Commercial Harbours and Pilotage Policy and Legislation*, Dublin, 1992.

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