AIMS

This course aims to analyze the economics and politics of infrastructure in the general framework of transport economics. It introduces basic elements of the theory of demand and supply of transport, and analyzed the effect of infrastructure on economic activity. In this context, we discuss various topics of interest as transport policies that address the problem of congestion, privatization and regulation of transport infrastructures, the political economy of regional allocation of infrastructure investments and competition in passenger transport. The course program is divided into three parts: (1) economic theory of transport, (2) Infrastructure and economic activity, and (3) Selected topics.

EVALUATION

The evaluation of the course will be configured according to three parameters, with corresponding weights:

1. Examination of contents of the sessions (1/3)

2. Presentation and student participation in class (1/3)

3. Practical Exercise (1/3)

Note: There are two alternative options for carrying out the practical exercise

3.1 Resolution of an econometric exercise (with Stata or E-views) consistent in estimating demand and price equations in aviation

3.2 Development of a short essay (1500-2000 words) to conduct a discussion of a current topic concerning transport policy
PROGRAM

1. Transport economics
   1.1 Preliminary issues
   1.2 Costs
   1.3 Demand
   1.4 Prices

2. Infrastructures and economic growth
   2.1. Methodological approaches: Macroeconomic, microeconomic, regional
   2.2. Evaluating the impact of transport infrastructures: production function, Cost-Benefit Analysis, Costs at the sector level.

3. Selected topics
   3.1. Intermodal & intra-modal competition
   3.2. Privatization and regulation
   3.3. Political economy of investments
   3.4. Congestion

BIBLIOGRAPHY

Section 1
De RUS, G., J. Campos & G. NOMBELA (2003), Economía del Transporte, Barcelona: Antoni Bosch

Section 2
Section 3

Intermodal & intra-modal competition
BILOTKACH, V., FAGEDA, X., & FLORES-FILLOL, R., (2010), Scheduled service versus personal transportation: The role of distance, Regional Science and Urban Economics, 40 (1), 60-72
NASH, C. (2010), European rail reform and passenger services - the next steps, Research in Transportation Economics, 29(1), 204-211.

Privatization and regulation

Political economy of investments
ALBALATE, D., G. BEL y X. FAGEDA (2012), Beyond the efficiency-equity dilemma: Centralization as a determinant of government investment in infrastructure, Papers in Regional Science, 91(3), 599-615.

Congestion
BRUECKNER, J. (2002), “Airport congestion when carriers have market power”, American Economic Review, 92, 5, 1357-1375
KING, David, Michael MANVILLE and Donald SHOUP, 2007. The political calculus of congestion pricing, Transport Policy 14, 111-123.
PAPERS TO BE DISCUSSED


