

Transportation and Public Utilities Group News

February 2021

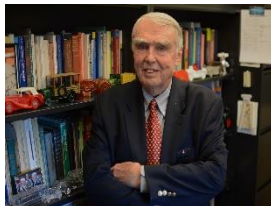
The TPUG group has made considerable progress in the last few years and the trend towards expansion of membership, integration of new people into leadership positions and the promotion of high-quality research. In this newsletter, we highlight some of our recent events, remind you to pay your 2021 dues, point to upcoming deadlines (See below), and summarize some of our accomplishments and research conducted by our members.



First and foremost, many thanks to Anming Zhang who served as our president in 2020. He helped organize sessions, expanded our list of contacts, and promoted research in the field of transportation economics despite an incredibly taxing schedule. For more on Anming, please see <https://www.sauder.ubc.ca/people/anming-zhang>



Second, Frank Wolak was appointed President of TPUG for 2021. Over the last few years, he has been instrumental in bringing new blood into TPUG and organizing sessions that were very well received at the 2020 and the 2021 ASSA meetings. For more on Frank, please see <http://web.stanford.edu/group/fwolak/cgi-bin/>



Third, many thanks once again to long-time members, former presidents and distinguished scholars Doug Jones (Ohio State) and Pat McCarthy who dedicated considerable time and efforts to fund our outstanding dissertation award, which will now run for about 15 years. For more on Pat, please see <https://econ.gatech.edu/people/person/patrick-mccarthy> and Doug Jones, please see <http://glenn.osu.edu/faculty/courtesy-adjunct-emeriti/>.



We are very much pleased to report that Ian Savage of Northwestern has accepted our invitation to serve this year as President Elect and next year as president. He shares his thoughts on TPUG, the development of transportation as a field and the impacts of such colleagues as Ron Braeutigam, John Panzer, and Leon Moses (see below).

Announcements

- **Conferences:** We had again a strong presence at the Virtual ASSA Conference as well as with the WEAI annual meetings. We are optimistic that COVID will release us to join together in person soon.
- **Membership Dues:** We continue to work on the timing of membership dues. Currently, we have set the dates from August 1 through July 31 to better align the dues with conference dates. New members that join after May 1 will receive benefits through July of the following year. Membership dues are very modest, and we encourage you to pay your dues now. We have made payment quite easy with a pay-pal link on the website. <https://sites.macalester.edu/tpug/membership/>
- **Program and Development:** For decades, programs at the ASSA and WEAI have been organized by the President and President-Elect with support by others. Last year, Jonathan Hughes of Colorado (<https://www.colorado.edu/envs/jonathan-hughes>) agreed to head this effort and worked with Wes Wilson (Oregon) to organize the efforts and recruit new people that want to be involved in the organization. This year Akshaya Jha of Carnegie Mellon (<https://akshayajha.wordpress.com>) will be joining this effort. There is more information on the website on our participation in the ASSA and WEAI meetings (<https://sites.macalester.edu/tpug/conferences/>). Such activities are well thought of during tenure and/or promotion and expand your network within and outside of TPUG. And, it helps the organization by bringing in new people and integrating them into the organization. If you are interested, please contact Jonathan Hughes, the President and/or the President-Elect. Their information can be found on the homepage of TPUG's website.
- **Webpage:** TPUG has a new website <https://sites.macalester.edu/tpug/>. After being housed at the University of Oregon for several years, TPUG's website has migrated to a new web address under the Macalester College domain. Many thanks to Wesley Wilson, who managed the website over the past few years. Felix Friedt maintains the current webpage. The new website incorporates familiar and a few new convenient features including links to submit your papers for consideration at the annual ASSA/AEA and WEAI meetings. New members can easily sign-up and pay for annual or lifetime memberships and existing members can conveniently renew their annual subscriptions. Furthermore, the new website gives its members the ability to highlight and share their recently published or forthcoming research as well as working papers with the TPUG community. If you would like to have your research featured on TPUG's website or have more general questions about the website, please contact Felix Friedt at ffriedt@macalester.edu.

Calls for Papers

- **2021 WEAI Annual Conference**, Honolulu, Hawaii, June 27-July 1. If you would like to organize a session, present or discuss please contact Jonathan Hughes (jonathan.e.hughes@colorado.edu) as soon as you can, but no later than February 15.
- **2022 ASSA meetings** will be held in Boston, January 7-9, 2022. Often a TPUG session is co-sponsored with the AEA. If you wish to participate, organize a session, or present, please contact Jonathan Hughes (jonathan.e.hughes@colorado.edu) by March 1st for the joint session with AEA and by May 15th for the other sessions.
- **17th International Conference for WEAI is in Melbourne, Australia, April of 2022.** If you wish to participate, organize a session, or present, please contact Jonathan Hughes (jonathan.e.hughes@colorado.edu) by December 1.

Message from President Elect Ian Savage

Dear fellow TPUG members:

Thank you for your confidence in me as President-elect. It is an honor. But there is no free lunch, so I recognize the responsibilities that come with the role.

For those who do not know me, I have spent nearly all my career at Northwestern University. My research deals with urban public transportation and transportation safety in all modes. I have been involved in professional organization management locally here in Chicago, nationally with TPUG's step-sister organization the Transportation Research Forum, and with the International Transportation Economics Association.

I am very conscious that TPUG has two constituencies, but I would argue that the differences between the two sides of the house are slight.

Interestingly, life has come full circle as my academic interests in the field started in a course on the "Economics of Transport and Public Enterprises" (with the focus of the latter on energy utilities) at the University of Sheffield in the UK. I looked back at my notes and saw that the common analytical feature was that these industries were all in the public sector with discussion on appropriate pricing structures. This was early in the first term of Margaret Thatcher before privatization had taken off.

When I came to Northwestern, my colleagues Ron Braeutigam and John Panzar pointed out that transportation and public utilities could be viewed as examples of the economics of (physical rather than social) networks. So, whether we are talking about railroads, airlines, highways, telephony, electrical grids, or postal services there are a common set of economic problems involving defining cost economies, recouping common and fixed costs from heterogenous users, cross-subsidies, loss making parts of the network, and the management of

peaks and congestion. While transportation regulation has somewhat faded into the background in the past forty years, the emergence of commercially operated former public assets such as toll highways and airports has brought new life to the debate.

I look forward to assisting TPUG expand its membership. There seems to be a resurgence of interest in transportation. The impetus seems to be coming from urban and trade economists. (My late colleague and mentor Leon Moses would doubtlessly argue that this is just déjà vu from the 1950s all over again.) I want to get these colleagues to join with us. There is no substitute for combining deep institutional knowledge and understanding with the enthusiasm and theories of the newcomers.

Ian Savage

Awards

- **Distinguished Member:** Long-time member and former president Richard Fowles from the University of Utah and a regular participant and member Kenneth Train from UC-Berkeley were each recognized as distinguished members of TPUG. This award was put in place in 1964 to honor those who have made significant contributions to the field and to the Transportation and Public Utilities Group during their career(s). Richard and Kenneth each spoke at the 2021 reception. Richard spoke of his introduction to and use of Bayesian Econometrics in transportation. Kenneth spoke of the role of transportation in the development of choice modeling.
- **Outstanding Dissertation Award:** Curtis Dlouhy of the University of Oregon dissertation titled “Causes and Consequence of the Coal Market Decline” was chosen as the 2020 outstanding dissertation. The dissertation consists of three essays, which include: 1. A model of sunk cost hysteresis that examines whether “coal can be reignited”; 2. The impact of carbon taxes on the dispatch order of fossil fuel electricity generated; and 3. The effects of the decline of coal on railroad rates and revenues.

Reception Memories

The TPUG reception was held virtually with about 25 attendees. There were multiple presentations including keynote presentations by Richard Fowles and Kenneth Train. Anming Zhang made the outstanding dissertation prize to Curtis Dlouhy. Pat McCarthy reviewed the budget and membership efforts as well as changes to the timing of memberships. Anming then introduced Ian Savage as the President-Elect.

