



B.E. International Program
Faculty of Economics, Thammasat University



Course Outline

Economics of Transportation (EE382)

SEMESTER 1/2014

Lecture Time: Tuesdays & Thursdays,
Lecture Venue: Room 203
Instructor: Dr. Kaewkwan Tangtipongkul
Office: 458
Email: kaewkwan@econ.tu.ac.th, kaewkwan471@gmail.com
Office hours: TR 11 am-noon or by appointment

COURSE DESCRIPTION:

The role of transportation in domestic and international economy, the relationship between transportation and location of production sites and businesses, the criteria and economic reasons for transportation pricing, private and social costs related to transportation, the relationship between transportation in the city and city expansions, problems and policies related to investment in urban transportation.

PREREQUISITES: a) EE 210 or b) EE 211 or c) EE 213

COURSE OBJECTIVE:

The objective of this course is to offers students insight into consumer and firm behavior. Economic theory and its applications enhance transport demand analysis, transport pricing, and transport policy evaluation. We will discuss important issue such as theory of the market in the transportation sector. Students will have an opportunity to apply these understanding and interest on specific transport economics topic on their research paper.

TEXTBOOKS AND OTHER DOCUMENT MATERIALS:

Cowie, J. (2010). The Economics of Transport. Routledge.

Mallard G., and Glaister S. (2008). Transport Economics: Theory, Application and Policy. Palgrave Macmillan.

Coyle J.J., Langley C.J. Jr., Novack R.A., Gibson, B.J. (2013). Managing Supply Chains A Logistics Approach. 9th edition. South-Western, Cengage Learning.

Button, K. (2010). Transport Economics. 3rd ed. Edward Elgar Publishing Ltd.

Several articles from each topic will be posted

IMPORTANT DATES

Class Begins	August 19, 2014
Adding and Dropping Course	August 18-September 1, 2014
Midterm Exam Period	October 6-11, 2014
Midterm Exam	October 7, 2014
<i>(No lectures will be given during the mid-term week)</i>	
Course Withdrawal with "W"	October 22-27, 2014
Class Ends	December 4, 2014
Final Exam	December 17, 2014

GRADING The final grade of the course will be based on the following items:

1. Mid-term exam	30
2. Country Study Paper and presentation	15
3. Article presentation	5
4. Class Participation	5
5. Final exam	45

Note: The mid-term and final exams are closed books and closed notes. Midterm and final exam dates are not changed due to the official schedule from BE program. Only physical condition with approval medical document is allowed for postponing the exam.

Academic Honesty

You are expected to be honest in all of your academic work. Copying is plagiarism and will be treated as an honor code violation. Potential sanctions include failure in the course and suspension from the university.

Conduct and Manner

Ethics is all above everything, far more valuable than merely subject knowledge.

Accordingly, plagiarism and cheating, including any possible plagiarism and cheating, will be subject to penalties as stated in the University Regulations. More importantly, to achieve overall objectives of learning, it is strongly advised that all students of EE382 classes behave in proper manner with socially acceptable and right conduct.

Below is advised code of conduct to be performed in EE382 class. Achieving and maintaining the code of conduct throughout the course will surely be awarded.

1. No mobile phones used. This includes silent mode, message sending, LINE, and all social network communication that would interfere teaching and learning. Should any mobile phone ring, a pop-up closed-book quiz will be given to all students in the group. Score earned from the quiz will be counted toward the course evaluation. However, if students can behave and keep mobiles away, the two merit points will be awarded to everyone in the group.

2. Be punctual. Yet it is understood that students may have continuing classes that cause delay. It is acceptable if it is a few minutes late. But unnecessary delay should be avoided. Even if students are on time, they are advised not to leave the room without unnecessary purposes.
3. Behave. Other socially acceptable manner should be practiced here. For example, this is a classroom whereby food and drink is not allowed. This is the university whereby students wear proper dress.

Country Study Paper and presentation

Student may select any topics related to Economics of transportation from ASEAN Economic Community perspective. Paper can be written individually or in pair.

Student will be assigned to present their topics on **November 24, November 27 and December 2, 2014**. The length of the presentation is approximately 25 minutes. After the presentation, students can get feedback from instructor and classmates to improve and make some changes before submitting the final version on **December 4, 2014**.

The report must include introduction, literature review, analysis result, conclusion and references. The total score is based on completion of each section. Copy and plagiarize are prohibited, your score will be zero for plagiarism or copy without appropriate citation and reference (see MLA or APA citation style).

The examples of style are in website

MLA Style: <http://www.liu.edu/CWIS/CWP/library/workshop/citmla.htm>

APA Style: <http://www.liu.edu/CWIS/CWP/library/workshop/citapa.htm>

Chicago Style: <http://www.liu.edu/cwis/cwp/library/workshop/citchi.htm>

Article presentation

Student will be assigned the date to present an article related to Economics of transportation. The presentation must include the storyline of the case and the economics analysis. The length of the presentation is approximately 15 minutes.

TENTATIVE COURSE OUTLINE

- 1. Introduction to the economics of transport** Aug 19,2014
- The scope of the subject
 - Modes of transportation
 - Transport markets
 - The global picture of transport, transport markets and transport industries

Reading Lists:

Button (Chapter 1, 2, and 3)

Mallard G., and Glaister S. (Chapter 1 and 2)

Cowie (Chapter 1)

THE THEORY OF THE MARKET: AN OVERVIEW

- 2. The Demand for Transport** Aug 21-28, 2014
- Factors that influence travel demand
 - Transport demand elasticity

Reading Lists:

Button (Chapter 4)

Mallard G., and Glaister S. (Chapter 3)

Cowie (Chapter 4)

- 3. The Direct Costs of Transport** Sept 2-9, 2014
- The supply of transport
 - Fixed and variable costs
 - Economies of scale, Economies of scope, and Economies of density

Reading Lists:

Button (Chapter 5)

Mallard G., and Glaister S. (Chapter 4)

Cowie (Chapter 5)

- 4. Perfect competition in transport Markets** Sept 11 &16, 2014
- Definition and model
 - Perfect competition in the short run
 - Perfect competition in the long run
 - Case study presentation: Tramp shipping

Reading Lists:

Mallard G., and Glaister S. (Chapter)

Cowie (Chapter 6)

5. Monopoly

Sept 18-25, 2014

- Definition and barrier to entry
- The model
- Price discrimination
- European competition policy
- Case study presentation: Public service vehicle operations in Britain

Reading Lists:

Mallard G., and Glaister S. (Chapter 6)

Cowie (Chapter 7)

6. Monopolistic Competition

Sept 30 & Oct 2, 2014

- The model and outcomes
- Competition
- The taxi market in the City of Leicester
- Case study: The road-haulage market in the European Union and Great Britain

Reading Lists:

Mallard G., and Glaister S. (Chapter 7)

7. Oligopoly

Oct 14&16, 2014

- Definition and model
- Location decisions
- The global car industry
- Team case study presentation: The European air industry
- Case study presentation: The British bus industry

Reading Lists:

Mallard G., and Glaister S. (Chapter 8)

Cowie (Chapter 7)

8. The pricing of transport activities

Oct 21 &28, 2014

- The principle of pricing
- Matching supply with demand
- Marginal cost pricing
- Pricing in public transport services
- Pricing in private transport services
- Case study presentation: EWS and predatory pricing
- Case study presentation: BA price fixing
- Case study presentation: Central London congestion charging

Reading Lists:

Cowie (Chapter 8)

Button (Chapter 7)

9. The economics of freight transport

Oct 30, 2014

- An overview of freight transport
- Modes of freight transport

Reading Lists:

Cowie (Chapter 12)

10. Logistics

Nov 4-20, 2014

- Supply change management
- Role of logistics in Supply Chains
- Management Inventory in the Supply Chain
- Transportation- Managing the Flow of the Supply Chain
- Distribution-Managing Fulfillment

Reading Lists:

Coyle J.J., Langley C.J. Jr., Novack R.A., Gibson, B.J. (Chapter 1, 2, 9, 10 and 11)