Trachtenberg School of Public Policy and Public Administration
PPPA 6085.12 (CRN: 86414),
Transportation and the Economy of American Cities
Fall 2014

Meeting Time: Mondays, 6:10 PM to 8 PM
Location: MPA 302, 805 21st Street, N.W.
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Office Hours: Mondays, 5 PM to 6 PM, Room 607
By appointment

Course Description and Overview

This course seeks to expand students’ understanding of the critical linkages between America’s transportation infrastructure, patterns of urban growth, and the nation’s economic development. The first part of the course is devoted to an historical review of those linkages and to scholarly analyses of transportation’s impacts on economic growth. The middle part of the course focuses on case studies, first, on how one major metropolitan region, New York City, has sought to establish an institutional framework for capital investment in, and operations of its transportation system, and, second, on the roles and risks of transportation mega-projects, in contributing to regional economic growth and fiscal stability. The final portion of the course emphasizes the development of skills, in evaluating infrastructure capital decisions, in the context of constrained public resources. Overall, the purpose of the course is to equip students with the knowledge and tools to assist and advise policy-makers, in making critical public investment decisions.

Student Learning Objectives

The course relies heavily on case studies of institutional structures, capital investment decision-making, and balancing fiscal, social, and economic considerations, in order to expand students’ skills in research, analysis, and policy advice in the transportation policy sector. Specific objectives are –

- Understand the impacts that transportation infrastructure investment and operations can have on broader economic and social policy goals
• Develop the research and analytical skills to articulate and present the policy options relevant to this policy area
• Evaluate the role of transportation infrastructure investments in a broader budget environment of constrained public resources, competing fiscal requirements, and necessary policy trade-offs
• Develop the presentational skills to influence policy choices about transportation investments and operations in the current policy setting.

Course Materials

The assigned readings for this course (comprised of portions of books and reports, articles, and statements) are described in detail for each class (below) and are posted on the course Blackboard page. Students should bring copies of the readings to each of the appropriate classes or have access to them on their laptops during class. Laptops can also be used to take notes, but not for “surfing” the Internet or to access e-mails, during class.

Each student will undertake his or her own research and develop additional reading, in connection with the preparation and presentation of his or her case study on transportation planning, capital programming, and governance in a particular metropolitan region or state, as described below.

Course Requirements and Assignments

• Class Participation 20 percent
• Individual Case Study Paper (10 to 15 pages) 20 percent
• Presentation of Case Study 20 percent
• Final Take-Home Examination 40 percent

Class Participation (20 percent). This is a participation-based course, taught in a seminar setting. As a result, students are expected to prepare for each class, by reading the assigned materials, to attend each class, and to participate actively in discussion. Grades will be based on attendance and the degree to which students’ comments reflect preparation for the particular class and insight about the assigned readings. Students will be expected to engage in civil discussions during the class, that is, respect for the views of their colleagues, even if there is substantive disagreement.

Individual Case Study Paper (20 percent). During Class 4 each student will choose one of either four metropolitan regions or two states that he or she will analyze and present in Classes 10, 11, or 12. The individual written case studies will be due at the beginning of Class 9.

The four metropolitan regions to be studied are the following: The San Francisco, CA, Bay area; the Kansas City, MO-KA region; the Dallas-Ft. Worth, TX; and the
Chicago, IL, metropolitan region. The two states to be studied are the following: Maryland and Washington State.

Each case study will address the role of transportation infrastructure in each region or state and describe the institutional structures and processes, pursuant to which investment decisions are made. Each student will be expected to develop appropriate readings and materials relevant to the particular case study, and the teacher will be available to advise and assist in identifying this background information. The goal of each case study is to identify and analyze the various economic, social, and environmental goals that inform the development of strategic capital programs in the particular metropolitan region or state, to evaluate the opportunities for, and constraints on, the strategic transportation planning process, to assess the effectiveness of planning and investment decisions over the last 20 or 30 years, and to develop recommendations to relevant policy-makers on how investment benefits and needs can best be balanced with the reality of scarce resources, including assessing opportunities for various funding mechanisms.

**Presentations of Case Studies (20 percent).** Classes 10 and 11 will be devoted to transportation policy analysis and decision-making in metropolitan regions, and Class 12 to a similar discussion of state transportation policy-making at the state level. In that context, each student will make a 15-minute presentation of his or her case study on a particular region or state. At the conclusion of these presentations, there will be a broad and general discussion of transportation policy, funding, financing, and investment issues at the metropolitan and state levels, led by the teacher and, if present, a guest lecturer(s) for the particular class. In addition to presenting his or her own case study, each student, assigned for each class, will be expected to take leading roles in the discussion of these broader metropolitan or state policy issues.

**Final Take-Home Examination (40 percent).** Classes 13 and 14 will focus on the federal role in transportation, analyze and discuss options for federal support for transportation, and assess the policy options for federal funding of, and investment in, transportation in the context of fiscal and energy constraints, budget deficits, the challenges of economic recovery and growth, and public resistance to various transportation funding options. The final take-home examination will pose one or more questions, designed to test students’ understanding of these issue and of the policy options, and to present recommendations.

**Overall course grades reflect the following philosophy:**

- **A** Excellent: Exceptional work for a graduate student. Work at this level is unusually thorough, well reasoned, creative, sophisticated, and well written. Work is of a professional quality.
- **A-** Very good: Very strong work for a graduate student. Shows signs of creativity and strong understanding of the subject matter, thorough and well reasoned, and meets professional standards.
B+ Good: Sound work for a graduate student. Well-reasoned and thorough. This grade indicates that the student has fully accomplished the basic course objectives.

B Adequate: Competent work for a graduate student with some evident weaknesses. Demonstrates competency in the key course objectives, but the understanding or application of important issues is less than complete.

B- Borderline: Weak work for a graduate student, but meets minimal expectations in the course. Understanding of key issues is incomplete.

C Deficient: Inadequate work for a graduate student. Rarely meets minimal expectations in the course. Work is poorly developed, characterized by errors and misunderstanding of important issues.

F Unacceptable: Work fails to meet minimal expectations for a graduate student. Performance has consistently failed to meet minimum course requirements.

Course Schedule At-a-Glance

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<th>Date</th>
<th>Subject</th>
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<tr>
<td>1</td>
<td>8/25 Introduction to the course: How transportation shaped American cities and the economy</td>
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<tr>
<td>2</td>
<td>9/8    Transportation and the economy of cities</td>
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<td>3</td>
<td>9/15   Transportation and urban form</td>
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<td>4</td>
<td>9/22   Case Study: Establishing the MTA</td>
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<td>5</td>
<td>9/29   Case Study: Saving the MTA</td>
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<td>6</td>
<td>10/6   Case Study: An investment strategy for Boston and the “Big Dig”</td>
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<td>7</td>
<td>10/13  The economic impacts of transportation investment</td>
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<td>8</td>
<td>10/20  Case Study: The economic impacts of transportation investments and making choices on urban mega-projects – London’s Crossrail Project</td>
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<td>9</td>
<td>10/27  Case Study: The economic impacts of transportation investments and making choices on urban mega-projects – ARC, the proposed trans-Hudson River rail tunnel</td>
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<td>10</td>
<td>11/3   Transportation decision-making in metropolitan regions, Part I Case study presentations (two metropolitan regions)</td>
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<td>11</td>
<td>11/10  Transportation decision-making in metropolitan regions, Part II Case study presentations (two metropolitan regions)</td>
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<td>12</td>
<td>11/17  Transportation decision-making at the state level Case study presentations (two states)</td>
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<td>13</td>
<td>11/24  Defining the federal role in surface transportation</td>
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<td>14</td>
<td>12/1   Balancing federal transportation spending with national fiscal and tax policy: Opportunities and constraints</td>
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Final take-home examination is distributed at the conclusion of the class: Completed examination due Thursday, December 11, 2015

Detailed Course Outline and Reading Assignments

Class 1. Introduction to the Course: How Transportation Shaped American Cities and the Economy


Class 2. Transportation and the Economy of Cities


Class 3. Transportation and Urban Form

Robert Caro, *The Power Broker* (Alfred A. Knopf, 1975), Introduction, Chapter 18 (pp. 323-346), Chapter 20 (pp. 368-397), Chapter 28, Chapter 39, and Chapter 40 (pp. 920-958)


Case Study in Managing Metropolitan Transportation Systems – Establishing the MTA

"When Rockefeller wrested the Triborough Bridge and Tunnel Authority away from Robert Moses in 1968 in order to give the fledgling MTA an instant cash flow source, the losers were both Robert Moses and Mayor John Lindsay. Moses lost control over an agency that he effectively owned personally from its inception, which provided him with an unlimited revenue stream for building auto-centric facilities. Lindsay was trying to use TBTA’s surplus funds to subsidize [New York City’s] subways and buses. Rockefeller saw Lindsay’s idea as a means of using those same surpluses to subsidize the commuter rails as well, which would mollify Rockefeller’s suburban Republican constituents who were then unhappy with the quality of LIRR and New York Central and New Haven RR services. The Governor was no fan of the mayor and used the state’s greater powers to usurp Lindsay’s idea and create the MTA." Andrew Sparberg, 2013

Robert Caro, *The Power Broker*, Chapter 46 (pp. 1067-1081) and Chapter 49 (pp. 1132-1144) (optional: Chapter 48, pp. 1117-1131)


First Annual Report of the Metropolitan Commuter Transportation Authority, April 1, 1966


Excerpts from the Report to Nelson A. Rockefeller, Governor of New York, from the Metropolitan Commuter Transportation Authority, *Metropolitan Transportation – A Program for Action*, February 1968


**Student teams are selected and metropolitan regional and/or state case study subjects assigned**
Class 5.  

Case Study: Saving the MTA

Guest: Nicholas Tulach, Rutgers University

Statement by Richard Ravitch, Chairman, Metropolitan Transportation Authority to the New York State Joint Public Hearing, New York State Senate Committee on Transportation and the Commission on Critical Transportation Choices, November 27, 1979

Address by Richard Ravitch, Chairman, Metropolitan Transportation Authority Before The N.Y.C. Partnership, November 25, 1981


Richard Ravitch, So Much To Do (Public Affairs, 2014), Chapter 6 (pp. 121-159)

Letter to The Honorable Mario M. Cuomo, Governor of New York, from Robert R. Kiley, Chairman, Metropolitan Transportation Authority, February 10, 1996

Letter to The Honorable Mario M. Cuomo, Governor of New York, from Robert R. Kiley, Chairman, Metropolitan Transportation Authority, June 29, 1990

Letter to The Honorable Mario M. Cuomo, Governor of New York, from Peter E. Stangl, Chairman, Metropolitan Transportation Authority, August 30, 1991

The MTA Capital Program, Phase 3, 1992-1996, pp. 3-11

Report to Governor David A. Paterson from the Commission on Metropolitan Transportation Authority Financing, December 2, 2008

Class 6.  

Case Study: An Investment Strategy for Boston and the “Big Dig”


Thomas Hughes, *Rescuing Prometheus* (Pantheon Books, 1998), Chapter V (pp. 197-223 and 236-254)


**Class 7.** The Economic Impacts of Transportation Investment

The Eddington Transport Study – The Case for Action: Sir Rod Eddington’s Advice to Government (December 2006), Executive Summary

Douglas Holtz-Eakin and Martin Wachs, *Strengthening Connections Between Transportation Investments and Economic Growth*, White Paper for the National Transportation Policy Project of the Bipartisan Policy Center, January 21, 2011, Executive Summary, Introduction, and “The Need to Focus on Long-Term Returns from Public Investments” (pp. 1-11)

**Class 8.** Case Study: The Economic Impacts of Transportation Investment and Making Choices about Urban Mega-Projects – London’s Crossrail Project

The business case and materials prepared by Transport for London (TfL) staff in support of the investment decision for Crossrail Project

**Class 9.** Case Study: The Economic Impacts of Transportation Investment and Making Choices about Urban Mega-Projects – ARC, the Proposed Trans-Hudson Rail Tunnel

Guest: Robert Yaro, President, Regional Plan Association of New York

Access to the Region’s Core, Major Investment Study Summary Report 2003, Abstract, Sec. 1.0 (Introduction), Sec. 1.1 (The Metropolitan Region), and Sec. 1.11 (Conclusions and Recommendations)

NJ Transit, *Economic Benefits of the Trans-Hudson Express Tunnel*

Regional Plan Association, *The Case for a New Hudson River Passenger Rail Tunnel into Manhattan*, December 2003


8
YouTube Videos, Governor Christie ARC Tunnel Announcement, Parts 1 & 2


Various news articles, columns, OP/EDs, and editorials regarding Gov. Christie’s decision to cancel the ARC Project


Dana Rubenstein article on the Port Authority of New York and New Jersey, *Capitol New York*, April 22, 2014

**Individual written case studies are due**

**Class 10. Transportation Decision-Making in Metropolitan Regions, Part I**

Guest: Paul Lewis, Director of Policy Studies, Eno Center for Transportation

**Case study presentations of metropolitan regions**

**Class 11. Transportation Decision-Making in Metropolitan Regions, part II**

Guest: Robert Puentes, Brookings Institution (Invited)

**Case study presentations of metropolitan regions**

**Class 12. Transportation Decision-Making at the State Level**

Guest: Neil Pedersen, Transportation Research Board, former State Highway Administrator, Maryland Department of Transportation

**Case study presentations of states**

**Class 13. Defining the Federal Role in Surface Transportation**

Guest: Joshua Schank, President, Eno Center for Transportation

*Transportation for Tomorrow*, Report of the National Surface Transportation Policy and Revenue Study Commission (December 2007), Executive Summary and Minority Views

*Paying Our Way*, Report of the National Surface Transportation Infrastructure Financing Commission (February 2009), Executive Summary

Guests: Thomas Lynch, former legislative assistant, U.S. Senator Max Baucus

James O'Keeffe, former minority staff member, U.S. Senate Committee on Environment and Public Works

Take-home final examination will be distributed at conclusion of class session