

Testimony before the  
House Committee on Transportation and Infrastructure

“The Federal Railroad Administration’s High Speed and Intercity Passenger Rail  
Program: Mistakes and Lessons Learned”

R. Richard Geddes

Adjunct Scholar

American Enterprise Institute

and

Associate Professor

Department of Policy Analysis and Management

Cornell University

December 6, 2011

*The views expressed in this testimony are those of the author alone and do not necessarily represent those of the American Enterprise Institute.*

Chairman Mica, Ranking Member Rahall, and Members of the Committee:

Thank you for the opportunity to submit testimony to the House Transportation and Infrastructure Committee hearing entitled, "The Federal Railroad Administration's High Speed and Intercity Passenger Rail Program: Mistakes and Lessons Learned."

I am R. Richard Geddes, associate professor in the Department of Policy Analysis and Management at Cornell University, visiting scholar at the American Enterprise Institute, and the author of *The Road to Renewal: Private Investment in U.S. Transportation Infrastructure* (AEI Press, 2011).

High-speed passenger rail (HSR) is a commendable public policy objective that can provide valuable public benefits. I strongly support HSR in the United States for those lines and routes where it makes sense. In this testimony, I justify that view by addressing some fundamental economic issues regarding HSR in the United States, as well as the use of private investment in passenger rail through public-private partnerships, or PPPs. This is important because, in my view, the most recent attempts to fund HSR in the United States did not include adequate provisions to attract and retain the private investment that is critical to conserving scarce public resources.

#### **Self-sustaining HSR projects**

The standard measure of the benefits that users, or consumers, receive from a good or service is their willingness to pay for it. Consumers in this case are HSR riders, and the price is the fare charged. Revenue received from fares (along with associated revenue from activities related to passenger rail, such as station naming rights and concessions) measures the value riders receive from the service. If riders receive substantial value from the service, they will be willing to pay much for it, and revenue will be high. Conversely, revenue will be low if few riders choose to use the service.

The benefits of HSR to its riders must be compared to its costs. The costs of a HSR project are usefully separated into capital costs and operating costs. Capital costs refer to one-time costs associated with installation of the system, such as the purchase of right of way, the laying of track, and the construction of stations. Operating costs are the ongoing costs of running the system, such as electricity, wear and tear, and wages.

A project is economical if the revenue from all sources is sufficient to cover operating costs while making a contribution to capital costs, including paying off debt and providing the investors who financed its capital with an adequate return on their investment. This is true regardless of whether the investors in question are private individuals or taxpayers.

If a high-speed rail project is economical in this sense, then private investors will be willing to fully fund its capital and operating expenses, and taxpayer subsidies will be unnecessary. In this

case, the government's task is to create policies that attract and retain private infrastructure investment for the long term, and to monitor performance on the PPP contract.

### **Public-Private Partnerships in High-Speed Passenger Rail**

Public-private partnerships are the main vehicle for incorporating private investment into the provision and operation of infrastructure. It is important to first define PPPs in general. The term "public-private partnership" refers to a contractual relationship between a public-sector project sponsor (where the project may include operation and maintenance of passenger trains as well as improvements to the underlying infrastructure) and a private sector firm or firms coordinating to provide a critical public good or service. The PPP contract is subject to all of the standard rules of contracting, and it is useful to think of a PPP as one application of a broader contracting approach.

Before discussing the benefits of the PPP approach, I review the structure of PPPs, and how they can be adapted to meet differing social objectives. A passenger rail PPP, either on the Northeast Corridor (NEC) or on lower-density, less economical routes, can be structured in different ways depending on the objective of the public PPP sponsor. Under one approach, the public sponsor may wish to maximize the amount of private sector investment available for infrastructure renovation, such as upgrading tracks and expanding rights-of-way, which reduces the amount of public dollars necessary for that upgrade. This can be accomplished if the public project sponsor conducts competitive bidding for the grant of a concession or lease of operational rights, while retaining responsibility for infrastructure.

The public project sponsor would then determine all the key attributes of the desired service, such as train speed, frequency of service, allowable rates, lease length, and other contractual details. This proposed contract would also allocate various risks between the private partner and the public sponsor, such as the risk of cost overruns on system expansions and renovations.

Although some commentators focus on revenue from rates paid by riders, there are additional possible sources of revenue that can be used to attract private sector investment, which may make private investment in HSR more feasible than first imagined. For example, the winning private partner could be granted commercial or residential real estate development rights in areas adjacent to stations. Other possible revenue sources include naming rights for stations and bulk purchases of tickets by corporate entities, among many others.

The public PPP sponsor may have a goal other than maximizing private investment in passenger rail infrastructure. The goal may be obtaining the best fare/service quality combination, for example. In that case, the sponsor can set the basic parameters of the contract, announce the precise criteria on which the winner will be determined, and accept bids. The key insight is that the PPP contracting approach is flexible enough to accommodate a variety of public sector sponsor objectives. I next review several salient benefits of the PPP contracting approach.

*The introduction of competition.* One important social benefit of the PPP approach is that it allows for competition to be introduced into HSR service provision. Competition encourages firms to provide quality service at a low cost, to be responsive to customer's needs, and to encourage competitors to innovate. The competitive benefits of PPPs can be realized on both NEC and non-NEC routes.

*The articulation and enforcement of clear key performance indicators.* An important social benefit of the PPP approach is simply that a contract exists. The contract includes details regarding what actions constitute adequate performance on the contract. The PPP approach thus encourages the public sponsor to reflect upon, and articulate, what specific actions by the private partner constitute excellent, or poor, performance. This will improve service provision. This may include metrics about major issues, such as the reliability and frequency of train travel, but also more detailed considerations such as the cleanliness of cabins, restrooms, and dining cars.

*The provision of fresh capital.* One key consideration is that the PPP approach allows fresh capital to be injected into passenger rail in the United States. In many cases, the public sector simply does not possess the necessary resources. Reliance on private capital is thus the only way to complete necessary renovations, upgrades, and maintenance that result in safer, faster, and more efficient service. But it also results in substantial savings, since a project will be completed faster under the PPP contracting approach where the private capital is readily available to get work done quickly.

*The introduction of new technologies and the fostering of innovation.* One key advantage of the PPP approach is that the private sector has incentives to develop new technologies, and has the resources to implement them. This results in lower costs and improved service.

*The assumption of risk by private partners.* Under the current approach in the United States, taxpayers assume virtually all the risks associated with designing, constructing, operating, and maintaining passenger rail systems. In a PPP, some of those risks can be allocated to the private partner, which reduces risks borne by taxpayers.

Private participation in the provision of passenger rail service in the United States through PPPs should be encouraged. Unfortunately, recent attempts to expand funding for HSR in the United States did not include appropriate mechanisms to attract and retain private investment in rolling stock, stations, or rail infrastructure. It is important that future efforts to improve the nation's HSR system include such mechanisms.

In thinking about future efforts, two useful distinctions in the use of PPPs for HSR in the United States should be made. The first is between provision of the underlying infrastructure versus operating services. PPPs can be applied to operations in a straightforward manner. This includes such tasks as actual train operation, ticketing, advertising and marketing, as well as providing new rolling stock where necessary. It may also include the maintenance of right of way and stations. As noted, competitive bidding among private train operating firms can take

place on the basis of various criteria, such as the lowest fares or, if optimal fares are pre-determined, on the basis of the size of an upfront concession payment that can then be applied to infrastructure improvements.

A second type of PPP is already in widespread use, which utilizes private assistance to design, build, and renovate the rail infrastructure on which passenger trains operate. In bidding out this second type of PPP, policy makers should pay close attention to how the design of the rail infrastructure affects train operations.

Another distinction necessary for PPPs to be used effectively in the United States is between the Northeast Corridor (NEC) and the remainder of the passenger rail network. This is because, as I discuss below, the NEC is the country's most economical line. As such, it is likely that the NEC is the only part of the nation's network that can be operated without direct taxpayer subsidies. This affects the nature of the PPP bidding that takes place, so a fundamentally different set of policies should be utilized on the NEC.

### **High-Speed Rail in the Northeast Corridor**

True high-speed passenger rail in the United States is likely to be most economical in the highly traveled Northeast Corridor (NEC) between Washington, DC and Boston. In fact, it may be the only corridor in the United States that meets the necessary requirements to have self-sustaining HSR. This conclusion is based on the following characteristics of the NEC:

- Sufficient population density: There are currently in excess of 50 million people in the corridor, which constitutes less than 2% of the U.S. land mass.
- Demonstrated demand as measured by existing intercity auto, bus, air, and rail traffic: Three of the top 25 U.S. intercity air travel city pairs are among NEC cities, 60% of the top 25 U.S. intercity air travel pairs include one or more NEC cities, in excess of one-third of all of Amtrak's intercity traffic is among NEC cities, and NEC intercity bus traffic growth has been explosive in recent years.
- Unfettered access to the rights-of-way necessary to enable HSR trains to achieve sufficient speeds between stations.
- Existence of robust local transit systems, which facilitate potential passengers' arrival at or departure from HSR stations along the route: The NEC route encompasses Washington, Baltimore, Philadelphia, New York, and Boston, all of which possess local transit systems that are among the most extensive in the U.S.

The demographics and demonstrated ridership within the NEC make it an appealing route for both public and private investment. HSR makes economic sense on such a route since the revenues from rates paid by riders, as well as other revenue sources generated by HSR activities, are likely to be sufficient to cover the costs of providing HSR. It is thus socially

beneficial for investment dollars to flow into the highly used NEC. Recent attempts to improve HSR in the United States have, however, not focused public resources on critical renovations within the NEC, or on leveraging private investment there.

Bidding among private competitors for a concession to operate trains on the NEC would likely generate substantial concession payments, which could then be applied to infrastructure improvements within the corridor. This in effect allows future riders to pay for the infrastructure improvements they will benefit from through the fares they will pay, since the concession payment in part reflects the discounted present value of those fares. The task of policy makers should be to provide the institutional structure necessary to attract that investment, particularly when public funding is unavailable. U.S. public policy has yet to create such as an institutional structure for HSR (although it is being created for highways).

Amtrak, which already has substantial experience in operating trains in the NEC, can either participate on equal footing as a bidder or be the entity that conducts the bidding, but undertaking both would present a clear conflict of interest. Therefore, if Amtrak is to participate as a bidder, it will be necessary to create a new entity, which explicitly represents riders, to conduct the bidding and ensure that contracts are enforced as agreed upon. Competitive bidding conducted by a representative of riders has the additional benefit of clarifying that the NEC is to operate in the interest of its customers.

This analysis suggests that the NEC should be financially separated from longer-distance, lower-density routes because those routes are unlikely to generate revenue sufficient to cover operating costs. This necessitates a different type of PPP bidding, which highlights the flexibility of the PPP approach. I next discuss bidding on non-NEC routes.

### **Private Participation off the NEC**

Many non-NEC routes are characterized by longer distances and lower density of ridership. Such routes may be unable to operate without direct taxpayer subsidies. There is a perception that PPPs cannot be used on routes that do not cover capital or operating costs. This is false. PPP bidding on routes that do not cover their costs must take on a different form, however. Competitive bidding should take place on the basis of which private participant is willing to accept the lowest direct taxpayer subsidy in order to provide a pre-determined level of service. This will provide the greatest value for money to taxpayers. The fiscal challenges currently facing the United States also suggest that offering the lowest possible subsidy to achieve a particular well-defined objective is important.

Direct taxpayer subsidies can be reduced as ridership on the route increases. Once ridership is sufficient to cover all costs, taxpayer subsidies can be phased out entirely. This type of least-subsidy bidding (combined with phase-outs as traffic increases) has been used in other transportation contexts, such as on toll roads in Spain.

There is a second reason why it is important to separate the NEC from the rest of the network for financing and policy purposes: Amtrak controls the majority of the NEC, but outside the NEC Amtrak operates predominantly on tracks shared with freight trains. Amtrak currently has priority for trackage use, which requires freight trains to move to sidings so that an Amtrak train can pass. This imposes a major cost on freight train operations. Because of their inherent efficiencies in moving freight, care must be taken in any competitive bidding arrangement to ensure that additional costs are not imposed on freight train operations.

There are three key principles regarding subsidies that are relevant for the use of public-private partnerships in passenger rail.

First, *any proposed subsidies should be well justified on public policy grounds*. There are many reasons for this, but chief among them is that it is costly to raise tax dollars. The system of raising tax revenue is costly to administer, but taxes also generate social costs by distorting taxpayers' choices. A common rule of thumb is that such costs constitute at least a third of the revenue raised. A dollar of expenditures on taxpayer subsidies therefore must produce more than \$1.33 in social benefits to justify those subsidies. This should be kept in mind when policy makers are considering subsidizing HSR riders directly.

Second, *subsidies should be as explicit and transparent as possible*. Transparency is now a well-accepted principle in accounting, and applies equally to the use of taxpayer dollars. Taxpayer subsidies that are not transparent and readily measurable should be avoided. Transparency in the provision of subsidies allows taxpayers to know how much they are allocating to various competing projects, and to assess which provide the best value. That is, transparency of subsidies is critical so that taxpayers can make educated judgments about the best use of their limited tax dollars. One of the main advantages of the lowest-subsidy bidding outlined above is that it increases the transparency of any subsidies provided to HSR riders.

Third, policy makers should ensure that *the smallest possible taxpayer subsidy is used to achieve the desired goal*. This follows directly from the fact that it is socially costly to raise tax revenue. Utilizing the lowest subsidy possible ensures that taxpayers are receiving the greatest possible value for their expenditures, or the greatest value for money. The most effective way to ensure that subsidies are as small as possible to get the job done is by creating competition among alternative providers.

Subsidies for HSR on non-NEC routes should be provided only if they meet those three conditions.

High-speed passenger rail is a potentially viable service that could offer the public a valuable alternative to current transportation options. The above analysis suggests that precious taxpayer dollars should be allocated to where they will yield the greatest benefit, which is likely to be through improvements to the Northeast Corridor.

Those improvements will be costly. To mitigate taxpayer costs, the private sector should be engaged as a full partner through public-private partnerships. Unfortunately, recent attempts to expand and improve HSR in the United States have not created the institutional structure necessary to attract the available private investment.

COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE  
*Truth in Testimony Disclosure*

Pursuant to clause 2(g)(5) of House Rule XI, in the case of a witness appearing in a nongovernmental capacity, a written statement of proposed testimony shall include: (1) a curriculum vitae; and (2) a disclosure of the amount and source (by agency and program) of each Federal grant (or subgrant thereof) or contract (or subcontract thereof) received during the current fiscal year or either of the two previous fiscal years by the witness or by an entity represented by the witness. Such statements, with appropriate redaction to protect the privacy of the witness, shall be made publicly available in electronic form not later than one day after the witness appears.

(1) Name:

Richard Geddes

(2) Other than yourself, name of entity you are representing:

Cornell University

(3) Are you testifying on behalf of an entity other than a Government (federal, state, local) entity?

YES

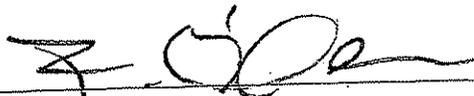
If yes, please provide the information requested below and attach your curriculum vitae.

NO

(4) Please list the amount and source (by agency and program) of each Federal grant (or subgrant thereof) or contract (or subcontract thereof) received during the current fiscal year or either of the two previous fiscal years by you or by the entity you are representing:

None

Signature

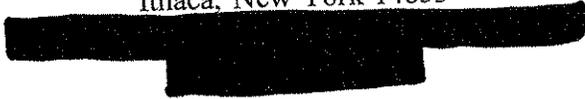


Date

12/1/11

RAYMOND RICHARD (RICK) GEDDES  
December 5, 2011

Department of Policy Analysis and Management  
College of Human Ecology  
251 Martha Van Rensselaer Hall  
Cornell University  
Ithaca, New York 14853



*CURRENT POSITIONS*

Associate Professor, Department of Policy Analysis and Management, Cornell University

*AFFILIATIONS AND PREVIOUS POSITIONS*

Visiting Researcher, Australian Government's Productivity Commission (Canberra), January 2010 to present  
Fulbright Senior Scholar, Economics Program, Research School of Social Science, Australian National University, July 2009 - December 2009  
Commissioner, National Surface Transportation Policy and Revenue Study Commission, March 2006 - January 2008  
Senior Economist, Council of Economic Advisers, Executive Office of the President, August 2004 - July 2005  
Director of Undergraduate Studies, Department of Policy Analysis and Management, Cornell University, 2005 - 2007  
Assistant Professor, Department of Policy Analysis and Management, Cornell University, 2002 -2003  
Board of Advisors, Systems Alliance, Inc., Sparks, Maryland, 2005-2008  
Faculty Advisory Board, Cornell Institute for Policy Research, Washington, DC, 2005-2007  
Member, Field of Public Affairs, Cornell University, 2004-present  
Member, Field of Economics, Cornell University, 2004-present  
National Fellow, Hoover Institution, Stanford University, 1999-2000  
Associate Professor of Economics, Fordham University, 1999-2002  
Assistant Professor of Economics, Fordham University, 1991-1999  
Visiting Faculty Fellow, Program in Civil Liability, Yale Law School, 1995-1996  
Board of Directors, McGannon Communications Research Center, Fordham University, 1998-2001

*EDUCATION*

PhD, University of Chicago (Economics) 1991, Dissertation: "Managerial Tenure and Monitoring in Publicly and Privately Owned Electric Utilities"  
MA, University of Chicago (Economics) 1987  
BS, Towson State University (Economics and Finance) 1984, *Magna cum Laude*

### RESEARCH FIELDS

Corporate governance, economics of women's property rights, surface transportation policy, public utility regulation, economics of postal services, antitrust law and economics

### TEACHING FIELDS

Law and Economics, Industrial Organization, Economics of Regulation, Economics of Corporations, Intermediate Microeconomics, Principles of Microeconomics

### TRAINING AND PROFESSIONAL DEVELOPMENT SEMINARS

- Recent Developments in U.S. Surface Transportation Policy*, Australian Government's Productivity Commission, February 2010
- Recent Developments in U.S. Surface Transportation Policy*, Australian Department of Treasury, August 2009
- Public-Private Partnerships in U.S. Surface Transportation*, Presentation at the Real Colegio Complutense, Harvard University, June 2008
- Regulatory Reform: The Economic-Advisor Perspective*, the 4th annual seminar on Government Restructuring: Privatization, Regulation and Competition, Grup de Recerca en Politiques, Cambridge, MA, June 2007
- The Role of the National Surface Transportation Policy and Revenue Study Commission*, School of Civil and Environmental Engineering, Cornell University, April, 2007
- Addressing Health Care Costs for Small Business*, seminar, Executive Dialogue Group, Villa Julie College, Maryland (April)
- Recent Developments in the Airline Industry*, Meeting of Financial Executives International, Baltimore (October)
- Regulatory Reform and Public-Private Issues in the Energy Sector*, World Bank, July 2004

### PEER REVIEWED PUBLICATIONS

- "Pricing by State-Owned Enterprises: The Case of Postal Services" *Managerial and Decision Economics* 29: 575-591 (2008).
- "Real Estate Brokerage and E-Commerce: A Framework for Empirical Analysis," *Journal of Law, Economics, and Policy* 3:2 (Spring 2007) 365-384.
- "Policy Watch: Reform of the U.S. Postal Service," *Journal of Economic Perspectives* 19:3 (Summer 2005) 217-232.
- "Do Vital Economists Reach a Policy Conclusion on Postal Reform?" *Economic Journal Watch* 1:1 (March 2004) 61-81.
- "An Economic Assessment of Inhaled Formoterol Dry Powder Versus Ipratropium Bromide Pressurized Metered Dose Inhaler in the Treatment of Chronic Obstructive Pulmonary Disease," *Clinical Therapeutics* 25:1 (January 2003) 285-297, joint with Thomas J.

Hogan and Edgar R. Gonzalez.

- "Municipalizing American Waterworks, 1897-1915," *Journal of Law, Economics, and Organization* 19:2 (Fall 2003) 373-400, joint with Werner Troesken.
- "The Gains from Self-Ownership and the Expansion of Women's Rights," *American Economic Review* 92:4 (September 2002) 1079-92, joint with Dean Lueck.
- "CEO Tenure, Board Composition, and Regulation," *Journal of Regulatory Economics* 21:2 (2002) 217-235, joint with H. D. Vinod.
- "The Rule of One-Third," *Journal of Legal Studies* 31:1 (January 2002) 119-137, joint with Paul J. Zak (reprinted in *Economics of Ancient Law*, Geoffrey P. Miller, ed., Northampton: Edward Elgar, forthcoming 2010).
- "Public Utilities," in *Encyclopedia of Law and Economics*, Vol. III: The Regulation of Contracts, Geerit De Geest and Boudewijn Bouckaert, eds., London: Edward Elgar (2000) 1162-1205.
- "The Economic Effects of Postal Reorganization," *Journal of Regulatory Economics* 13 (1998) 139-156.
- "Ownership, Regulation, and Managerial Monitoring in the Electric Utility Industry," *Journal of Law and Economics* 40:1 (April 1997) 261-288.
- "CEO Age and Outside Directors: A Hazard Analysis," *Review of Industrial Organization* 12 (December 1997) 767-780, joint with H.D. Vinod.
- "Time to Repeal the Public Utility Holding Company Act," *Cato Journal* 16:1 (Spring/Summer 1996) 63-76.
- "Emerging Issues in the Regulation of Electric Utilities," *Resource and Energy Economics* (formerly *Resources and Energy*) 14 (1992) 3-35, joint with Peter H. Griffes et al.
- Co-editor, "Issues in the Electric Utility Industry," *Resource and Energy Economics* (formerly *Resources and Energy*) 12 (1990): a special issue on electric utilities.
- "The Electric Utility Industry: New Challenges and Old Questions," *Resource and Energy Economics* (formerly *Resources and Energy*) 12 (1990) 1-15, joint with Peter H. Griffes.

#### PAPERS IN PROGRESS

- "The Determinants of Public-Private Partnership Use in the United States," (with Germà Bel and Daniel Albalade)
- "Why Do States Pass Public-Private Partnership Enabling Laws?," (with Benjamin Wagner)
- "Policy Issues in U.S. Transportation Public-Private Partnerships: Lessons from Australia," Mineta Transportation Institute, San Jose State University, research report (joint with David Czerwinski) 2010; to be revised for journal submission
- "Governance and Agency Costs in Private and State-Owned Enterprises"
- "Policy Issues in U.S. Transportation Public-Private Partnerships: Lessons from Australia," Mineta Transportation Institute, San Jose State University working paper, in preparation.
- "Human Capital Accumulation and the Expansion of Women's Property Rights," revise and resubmit, *Journal of Law & Economics* (joint with Sharon Tennyson and Dean Lueck).
- "Passage of the Married Women's Property Acts and the Earnings Acts in the United States," (joint with Sharon Tennyson) SSRN working paper,

[http://ssrn.com/abstract= 1405355.](http://ssrn.com/abstract=1405355)

- "Passage of the *Feme Sole* Trader Acts," Cornell University, Department of Policy Analysis and Management, working paper.
- "Small Firms, Transparency, and the Sarbanes-Oxley Act," (with Jose Balmori and May Wong)
- "The Effects of the Postal Accountability and Enhancement Act of 2006" (with Claudio Lucarelli)
- "The Drivers of Enlightenment: A Hazard Analysis of Why Some States Granted Early Women's Suffrage Rights " (with Jose Balmori)
- "The Determinants of Passage of Women's Economics Rights: A Hazard Analysis," (with H.D. Vinod) in preparation

#### BOOKS AND MONOGRAPHS

- The Road to Renewal: Private Investment in U.S. Transportation Infrastructure* (Washington, DC: AEI Press) 2011.
- Competing with the Government: Anticompetitive Behavior and Public Enterprises*, Stanford: Hoover Institution Press, edited volume (2004).
- Saving the Mail: How to Solve the Problems of the U.S. Postal Service*, AEI Evaluative Studies; Washington, DC: AEI Press (2003).
- Private Power in the Pacific*, Co-editor (joint with Peter T. Crowley) Pacific Economic Cooperation Council: Minerals and Energy Forum (1994).

#### BOOK CHAPTERS

- "Roads and Highways," in Paul Quirk and William Cunion, eds., Governing America: Major Policies and Decisions of Federal, State, and Local Government (New York: Facts on File) 2010.
- "The U.S. Postal Service," in Claude Menard and Michel Ghertman eds., Regulation, Deregulation and Reregulation: Institutional Perspectives (New York: Edward Elgar).
- "Expanding Individual Choice and Control," Chapter 5, *Economic Report of the President* (Washington, DC: United States Government Printing Office) 2005.
- "Technological Change and the Case for Government Intervention in Postal Services," in *The Half-Life of Policy Rationales: How New Technology Affects Old Policy Issues*, Fred E. Foldvary and Daniel B. Klein, eds. (New York University Press, 2003).
- "Generalized Estimating Equations For Panel Data And Managerial Monitoring In Electric Utilities," in N. Balakrishnan (Ed.) *Advances on Methodological and Applied Aspects of Probability and Statistics* (joint with H.D. Vinod) Chapter 33, pp. 597-617 (2000). London: Gordon and Breach Science Publishers.
- "Fatal Flaws in the Postal Service's Structure," in *Mail @ the Millennium*, Edward L. Hudgins, ed., Washington, DC: The Cato Institute (2000).
- "Patterns of Private Delivery," in *The Last Monopoly: Privatizing the Postal Service for the Information Age* Edward L. Hudgins, ed., Washington, DC: The Cato Institute (1996).
- "Public Perception of Nuclear Power in the United States," in *Proceedings of the Minerals and Energy Forum*, Beijing, China (1995).

- "Agency Costs and Governance in the United States Postal Service," in *Governing the Postal Service* Gregory J. Sidak, ed., Washington, DC: American Enterprise Institute (1994).
- "Privatization and Contracts in U.S. Electric Utilities," in *Private Power in the Pacific*, Pacific Economic Cooperation Council: Minerals and Energy Forum (1994).

#### BOOK REVIEWS

- Amy Dru Stanley, *From Bondage to Contract: Wage Labor, Marriage, and the Market in the Age of Slave Emancipation*. (Cambridge: Cambridge University Press) in the *Journal of Economic History* (December 1999) vol. 59, no. 4, pp. 1118-9.
- Yoram Barzel, *Economic Analysis of Property Rights* 2nd edition (Cambridge: Cambridge University Press) in *Economic Affairs* (December 1998): 54.

#### OTHER PUBLICATIONS

- "Road Tax Alternative: Pay for Each Mile you Drive," *CNN Opinion* (January 28, 2011).
- "Better than a Bailout," in, "In Rain, in Snow, but Not on Saturdays," *The New York Times* "Room for Debate" blog (Nov. 29, 2009).
- "The Future of Surface Transportation Funding in America," *Tollways: The Journal of the International Bridge, Tunnel and Turnpike Association* (Autumn 2008), pp. 19-25.
- "Timid Steps toward Postal Reform," *AEI Postal Reform Paper*, July 23, 2004.
- "A New Antitrust Paradox: Flamingo Industries and the Future of the Postal Service," *AEI Postal Reform Paper*, July 2, 2004.
- "Bad Policy, Pure and Simple," *The New Republic* March 29, 2004, p. 39; *The Weekly Standard* March 22, 2004, p. 49.
- "Thinking Outside the Mailbox," *Washington Post*, Friday, August 29, 2003, p. A23.
- "The President's Commission on the Postal Service: An Assessment," *AEI Postal Reform Paper*, August 27, 2003.
- "A Rare Opportunity for Postal Reform," *Weekly Standard*, July 7/Jul 14, 2003, p. 49. (reprinted in the *New Republic*, July 21, 2003.)
- "Why We Need Serious Postal Reform," *The American Enterprise*, July/August 2003, pp. 52-3.
- "Opportunities for Anticompetitive Behavior in Postal Services," *AEI Postal Reform Paper*, May 28, 2003.
- "The Structure and Effect of International Postal Reform," *AEI Postal Reform Paper*, April 29, 2003.
- "Why We Need Postal Reform and What It Should Entail," *AEI Postal Reform Paper*, March 17, 2003.
- "Postal Service Monopoly is Bad for Consumers," *San Jose Mercury News*, June 18, 2002, p. 7B
- "A Historical Perspective on Electric Utility Regulation," *Regulation* (Winter 1992) 75-82.
- "Uncle Sam, Unfair Competitor," *Hoover Digest* (Winter 2002, No. 1), pp. 129-134.
- "The Legacy of Class Hatred," *National Review*, December 3, 2001; *New Republic* November 12, 2001; *Weekly Standard*, November 5, 2001; *Commentary*, November 2001, and the *Tribune Review of Greensburg, Pennsylvania*, November 11, 2001.

- "Neither Snow, nor Sleet . . . Can Dampen This Monopoly," *Hoover Digest* (2000, Number 2) pp. 52-8.
- "Let the Postal Service Compete," *Weekly Standard*, May 15, 2000, p. 41 [reprinted in *The American Spectator*, (July/August 2000) p. 99 and by the Garnet Valley Press: Press Newspapers of Delaware County, May 24, 2000 ].
- "Government Enterprises: The Forgotten Antitrust Concern," *Weekly Standard*, June 26, 2000, p. 41.
- "Who Pays for Protection?" *Marysville, CA Appeal-Democrat*, November 7, 1987.
- "U.S. Protectionist Legislation Will Be A Two Edged Sword," *Allentown Morning Call*, November 10, 1987.
- "Obfuscation Can Serve the Debater Well," *New York Tribune*, April 11, 1984.

#### ACADEMIC AWARDS

- 2008, Kappa Omicron Nu/Human Ecology Alumni Association Advising Award
- 2007, Human Ecology Award for Outstanding Accomplishments in Extension/Outreach in Public Policy, for work on Council of Economic Advisers and National Surface Transportation Policy and Revenue Study Commission
- 2007, Inducted into the Kappa Omicron Nu Human Ecology National Honor Society
- 2006, Nominated for SUNY Chancellors teaching award
- 2002, Faculty Appreciation Award, Cornell Greek Community, for undergraduate teaching
- 1984, *Wall Street Journal* Award for Top Economics Student, Towson State University

#### GRANTS, FELLOWSHIPS AND SCHOLARSHIPS

- Fulbright Senior Scholarship, for research on Australian transportation public-private partnerships, 2009
- Mineta Transportation Institute, San Jose State University, grant to support research on transportation public-private partnerships, 2009
- Hatch Grant, for research on international women's property rights, 2003
- Hoover Institution, for book on public enterprise predation, 2001
- Earhart Foundation Grant, for women's rights research, 2001
- Faculty Research Grant, Fordham University, 1998
- Summer Faculty Fellowship, Fordham University, 1997
- Ames Fund for Junior Faculty, Fordham University, 1996
- Ames Fund for Junior Faculty, for women's rights research, 1996
- Earhart Foundation Grant, for women's rights research, 1995
- Earhart Foundation Fellowship, for postal research, 1995
- Smith-Richardson Foundation Fellowship, for postal research, 1994
- Hayek Fund for Scholars Grant, Institute for Humane Studies, 1994
- F. Leroy Hill Summer Faculty Fellowship, Institute for Humane Studies, 1992
- Pew Fellowship for Undergraduate Teaching, The University of Chicago, 1989
- Claude R. Lambe Fellowship, Institute for Humane Studies, 1988
- Claude R. Lambe Fellowship, Institute for Humane Studies, 1986
- Earhart Foundation Fellowship, 1986

#### *MEDIA COVERAGE*

- Radio interview with Marty Moss-Coane's *Radio Times*, *WHYY Radio*, Philadelphia, February 05, 2009, on the U.S. Postal Service.
- Radio interview with Janet Babin, for NPR's *Marketplace*, "Report calls for higher gasoline tax," January 15, 2008.
- Radio Interview with Dave Vieser News/Talk 870 WHCU, on transportation policy, January 22, 2008.
- Radio interview, NPR's *On Point* with Tom Ashbrook, on transportation policy, March 11, 2008.
- Radio interview with Marty Moss-Coane, *WHYY Radio*, Philadelphia, August 5, 2003, "The Postal Commission's Report."
- Television interview with Jack Cafferty, *CNN Financial Network*, "Postal Service Privatization," November 12, 2001.
- Radio interview with Andrew Wolf, *Bronx Press radio program*, "Postal Service Issues," November 9, 2001.
- Newspaper article by Virginia Postrel, "Economic Scene: It Was Not So Long Ago That Women Had No Property Rights," *New York Times*, August 9, 2001, p. C2.
- Radio interview with Tom Clark, *Wisconsin Public Radio*, "The Future of the U.S. Postal Service," December 2, 1994.

#### *CONGRESSIONAL AND REGULATORY TESTIMONY*

- Testimony before the Postal Regulatory Commission, on "Universal Postal Service and the Postal Monopoly," June, 2008.
- Testimony before the U.S. House of Representatives on transportation policy, Committee on Transportation and Infrastructure, January 17, 2008
- Testimony before the U.S. House of Representatives on transportation policy, Committee on Appropriations Subcommittee on Transportation, Housing and Urban Development, April 3, 2008

#### *ADDITIONAL PROFESSIONAL EXPERIENCE*

- 2002- 2004, Director, Postal Reform Initiative, American Enterprise Institute
- Summer 1996, Director, Visiting Fellows Program, Institute for Humane Studies
- Fall 1995, Yale College Seminar Instructor, "Public, Private and Nonprofit: The Firm and Public Policy"
- 1990, Staff Economist, RCF Inc., Chicago, Illinois. Advised mid-western city on the sale of municipal electric utility to investor-owned utility. Investigated issues of rates, reliability, and levels of service.
- 1985, Teaching Assistant, University of Chicago, Graduate School of Business, Money and Banking.

#### REPORTS AND CONSULTING ACTIVITY

- Consultant to the Defense Business Board, Task Group on the Military Postal System, 2006.  
Report on "Competing with the U.S. Postal Service: Effects on Consumers, Competitors, and Virginia State and Local Government," Thomas Jefferson Institute for Public Policy, 2004.
- Consultant to the Federal Trade Commission, Office of Policy Planning, study entitled "Competition Policy and Postal Services: International Case Studies," 2002.
- Consultant to the Progress and Freedom Foundation, Washington, DC, on the economic impact of the Public Utility Holding Company Act of 1935, 1996.
- Consultant to the Australian Price Surveillance Authority, regarding the application of the Price Surveillance Act to BHP Steel, Inc., 1995.
- Consultant to Schnader, Harrison, Segal & Lewis, Philadelphia, Pennsylvania, on Postal Rate Case R-94. Submitted written testimony to and testified before the Postal Rate Commission, on behalf of United Parcel Service, 1995.

#### REFEREE ACTIVITY

*American Economist; British Journal of Political Science; Economic Inquiry; Economics of Governance; Feminist Economics; International Review of Economics & Finance; John D. and Catherine T. MacArthur Foundation; Journal of Agricultural and Resource Economics; Journal of Business & Economic Statistics; Journal of Consumer Policy; Journal of Empirical Legal Studies; Journal of Law, Economics & Organization; Journal of Legal Studies, Journal of Regulatory Economics; National Science Foundation; Regulation and Governance; Resource and Energy Economics; Southern Economic Journal; Social Science History; University of Chicago Press*

#### UNIVERSITY SERVICE

- Graduate Field Committee, Department of Policy Analysis and Management, Cornell University, 2005-present
- Ph.D. Admissions Committee, Department of Policy Analysis and Management, Cornell University, 2002-2003
- The Graduate Council, Committee on Financial Aid, Fordham University, 1997-2000
- NCAA Self-Study Fiscal Integrity Committee, Fordham University, 1994
- Senate Committee on Student Life, Fordham University, 1992-93
- Sophomore Advisor, Fordham University, 1996-1998

#### CONFERENCE AND SEMINAR PRESENTATIONS

##### 2010

- Women's Economic Rights*, Australian Government's Productivity Commission, May
- Recent Developments in U.S. Surface Transportation Policy*, University of Barcelona, December

*Why Do State Adopt Public-Private Partnership Enabling Laws?* University of  
Barcelona, December

2009

*Human Capital Accumulation and the Expansion of Women's Property Rights*, Cornell  
Population Program seminar series, January  
*Human Capital Accumulation and the Expansion of Women's Property Rights*,  
University of Florida, Levin College of Law, March  
*Private Investment in U.S. Surface Transportation Infrastructure*, University of  
Florida, Levin College of Law, March  
*Human Capital Accumulation and the Expansion of Women's Property Rights*,  
Australian National University, Canberra, July  
*Recent Developments in U.S. Surface Transportation Policy*, Australian Department of  
Treasury, August

2008

*Competition in Public and Private Enterprise: The Case of Surface Transportation*,  
101<sup>st</sup> Annual Conference on Taxation, Meetings of the National Tax  
Association, Philadelphia, November.  
*Human Capital Accumulation and the Expansion of Women's Property Rights*,  
Conference on Empirical Legal Studies, Cornell Law School, September.  
*Human Capital Accumulation and the Expansion of Women's Property Rights*, 66<sup>th</sup>  
International Atlantic Economic Conference, Montreal, October.  
*The Effects of Expanding Women's Property Rights*, American Law & Economics  
Association meetings, Columbia University, May.  
*Human Capital Accumulation and the Expansion of Women's Property Rights*, Florida  
State University College of Law, April.  
*The Effects of Expanding Women's Property Rights*, Cornell University, School of  
Law, February.

2007

*The US Postal Service: Deregulation or Re-Regulation?* Conference on "Deregulation  
or Re-regulation: Institutional and Other Approaches," Nice, France (June)  
Electricity session, Searle Center Annual Review of Regulation, Northwestern  
University School of Law, discussant (May)

2006

*Recent Developments in Industry Regulation*, Session Organizer, Meetings of the  
International Society for New Institutional Economics, Boulder (September)  
*Pricing by State-Owned Enterprises: The Case of Postal Services*, Meetings of the  
International Society for New Institutional Economics, Boulder (September)

*Pricing by State-Owned Enterprises: The Case of Postal Services*, George Mason University (May)

**2005**

*Regulatory Barriers to Electronic Commerce*, discussant, Southern Economic Association Meetings, Washington, DC (November)  
*The Application of Property Rights to Current Policy Issues*, seminar, Towson University, Maryland (April)  
*Institutions and Growth in the Long Run*, Session chair and discussant, American Economic Association meetings, Philadelphia (January)

**2004**

*Property Rights*, Session organizer and chair, International Society for New Institutional Economics, Tucson, Arizona (September)  
*Do Vital Economists Reach a Conclusion on Postal Reform?* Meetings of the Association of Private Enterprise Education, Nassau, Bahamas (April)  
*The Application of Antitrust Laws to Public Enterprises: The Case of Postal Services* Cornell University Law & Economics Seminar (February)

**2003**

*Competing with the Government: Pricing in Postal Services*, Department of Policy Analysis and Management, Cornell University (May)  
*Why We Need Postal Reform and What It Should Entail*, American Enterprise Institute conference entitled "The Presidential Commission to Study the Postal Service: What Should the Goals of Postal Reform Be?" (March)

**2002**

*The Municipalization of American Waterworks, 1897-1915*, Meetings of the International Society for New Institutional Economics, Cambridge, Massachusetts (September)  
*Topics in Economics and Justice*, Meetings of the Gruter Institute for Law and Behavioral Research, Squaw Valley (June)  
*The Gains from Self-Ownership and the Expansion of Women's Rights*. University of Kansas

**2001**

*The Gains from Self-Ownership and the Expansion of Women's Rights*. Federal Reserve Bank of Cleveland.  
*The Gains from Self-Ownership and the Expansion of Women's Rights*. Case Western Reserve School of Law.

*Behavioral Economics and the Expansion of Women's Rights.* Gruter Institute for Law and Behavioral Research: Conference on Evolutionary Biology, Economics, and Law, Squaw Valley, California.

*The Gains from Self-Ownership and the Expansion of Women's Rights.* Fordham University Law School.

*The Economic Theory of Regulation and the Postal Reorganization Act of 1970.* Santa Clara University.

*Technological Advance and the Changing Context of Public Policy Justification.* Meetings of the American Economic Association, New Orleans.

**2000**

*The Gains from Self-Ownership and the Expansion of Women's Rights.* Stanford University Comparative Workshop, Department of Sociology.

*The Rule of One-Third.* Gruter Institute for Law and Behavioral Research: Conference on Evolutionary Biology, Economics, Business and Law. Squaw Valley, California.

*The Economic Theory of Regulation and the Postal Reorganization Act of 1970.* Hoover Institution, Stanford University.

*The Gains from Self-Ownership and the Expansion of Women's Rights.* Stanford University Law School.

*Technological Change and the Case for Intervention in Postal Services.* Center for Science, Technology, and Society, Santa Clara University.

**1999**

*The Gains from Self-Ownership and the Expansion of Women's Rights.* Social Science History Workshop, Stanford University.

*Women's Rights to Property and Contract in America, 1776-1996.* Santa Clara University

*The Gains from Self-Ownership and the Expansion of Women's Rights.* University of California at Davis.

*The Gains from Self-Ownership and the Expansion of Women's Rights.* Hoover Institution, Stanford University.

*The Political Economy of Postal Reform.* American Enterprise Institute, Seminar on Postal Reform, Washington, DC.

*Self-Ownership and the Rights of Women: The Adoption of Property and Earnings Acts in 19th Century America.* American Economic Association Meetings, New York.

**1998**

*CEO Tenure, Board Composition, and Regulation.* George Mason University.

*Fatal Flaws in the Structure of the Postal Service.* Mail at the Millennium, Cato Institute Conference.

*The Market and the Corporation.* Institute for Human Studies Seminar, Bryn Mawr College.

*How the Political Process Fails.* Institute for Human Studies Seminar, Bryn Mawr College.

*The Gains from Self-Ownership and the Expansion of Women's Rights.* University of Pretoria, Republic of South Africa.

*The Gains from Self-Ownership and the Expansion of Women's Rights.* University of Venda, Republic of South Africa.

*The Gains from Self-Ownership and the Expansion of Women's Rights.* University of Stellenbosch, Republic of South Africa.

*The Gains from Self-Ownership and the Expansion of Women's Rights.* University of Port Elisabeth, Republic of South Africa.

### 1997

*Deregulating Public Utilities: The American Experience.* Institution, Markets, and Economics Performance: Deregulation and Its Consequences, Utrecht University, The Netherlands.

*The Economic Theory of Regulation and the Postal Reorganization Act of 1970.* Meetings of the European Association of Law & Economics, Barcelona.

*The Economic Effects of Postal Reorganization.* International Conference on Combinatorics, Information Theory & Statistics, University of Southern Maine,

*Self-Ownership and the Rights of Women.* The Inaugural Meetings of the International Society for New Institutional Economics, St. Louis.

*Self-Ownership and the Rights of Women.* Meetings of the Economic History Association, New Brunswick, New Jersey.

*Self-Ownership and the Rights of Women.* 10<sup>th</sup> International Conference of the Women's Studies Network (UK) Association, Center for Research and Education on Gender, University of London.

*Electricity Regulation: Consumers and Competition.* Center for Market Processes' Congressional Administrative Assistant Winter Retreat, Baltimore Maryland.

*Electricity Restructuring.* Center for Market Processes' Seminar for Congressional Staff Canon House Office Building, Washington, DC.

### 1996

*Self-Ownership and the Rights of Women.* Meetings of the European Association of Law and Economics, Haifa, Israel.

*Self-Ownership and the Rights of Women.* Austrian Economics Colloquium, New York University.

*CEO Turnover, Regulation, and Outside Directors.* Austrian Economics Colloquium, New York University.

*Federal and State Jurisdictions in a Competitive Electricity Marketplace.* American Legislative Exchange Council, Newport, Rhode Island.

*Self-Ownership and the Rights of Women.* Australian National University, Canberra, Australia.

### 1995

*Ownership, Regulation, and Managerial Monitoring in the Electric Utility Industry.* North Carolina State University, Raleigh, North Carolina.  
*CEO Turnover, Regulation, and Outside Directors.* Austrian Economics Colloquium, New York University.  
*CEO Turnover and Outside Directors.* American Law and Economics Association Meetings, Berkeley, California.  
*Self-Ownership and the Rights of Women.* Australian National University, Canberra, Australia.  
*The Role of the Private Sector in the Generation, Transmission, and Distribution of Electricity.* Minerals and Energy Forum. Saigon, Vietnam.  
*Patterns of Private Delivery.* Private Postal Service in the 21<sup>st</sup> Century, The Cato Institute, Washington, DC.

**1994**

*Agency Costs and Governance in the United States Postal Service.* Governing the Postal Service, American Enterprise Institute Conference Washington, DC.  
*The Benefits of Private Sector Involvement in Power Generation and Distribution.* 10th International General Meeting of the Pacific Economic Cooperation Council. Kuala Lumpur, Malaysia.  
*The Public Perception of Nuclear Power in the United States.* The Sixth Annual Minerals and Energy Forum. Beijing, China.  
*Managerial Monitoring in the Electric Utility Industry.* Meetings of the American Economic Association. Boston, Massachusetts.

**1992**

*Managerial Monitoring in the Electric Utility Industry.* Bureau of Economics, Federal Trade Commission.  
*Privatization and Contracts in the Electric Utility Industry.* USAID Seminar on Natural Monopolies, Structure and Pricing Decisions, Vienna, Austria.