

Buehler "Making Urban Transport Sustainable: Insights from Germany"

Comments by Steffen Kallbekken

A recipe for better transport policies?

- Interesting overview of differences in transport policies (and outcomes) between Germany and the USA
- Interesting case studies (Freiburg)
- Perhaps a recipe for other communities and other countries to follow?

The US perspective

- Shows a society where I could live and policies I could support - personally



- But, should we do it?
- ...and can we do it?

Should we do it?

- Parry and Small, AER 2005
- Take into account that fuel taxes imperfectly target externalities (e.g. congestion)
- The second-best optimal fuel tax rate is:
- The US fuel tax rate should be doubled!
- The UK fuel tax rate should be halved!
(and Germany is probably similar to the UK)
- The analysis is perhaps not correct, but it is important to include this perspective

Can we do it?

- Political feasibility is a major barrier to implementing efficiency enhancing policies
- E.g. failure of the UK fuel tax escalator, French CO₂ tax, Swiss fossil fuel tax...
- What are the major political barriers in the USA?
- How can policies be designed to overcome these barriers?
- Probably you cannot transfer successful policies directly from Germany to the USA

The US perspective

- The focus is on environmental and social benefits
- Benefits must be balanced against costs (financial, fairness – both distribution and coercion)
- Feasibility is a crucial issue