

Who benefits from the new transit? -Case of Tsukuba Express Line

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Abstract

This paper measures the benefits of Tsukuba express line, a train line introduced in 2005 connecting central Tokyo and Tsukuba city. An equilibrium model of residence-mode choice is developed and estimated in order to simulate the effects of new transit. Benefits are decomposed into landlords owning land close to the new transit and households who do not own land. In addition, cost of landlords owning land far apart from the new transit is also calculated. Random coefficient logit model is used in estimation in order to overcome the aggregated aspects of data.

JEL classification R21, R3, R11, R41

Keywords Residential choice, Discrete choice model, Random coefficient, Monocentric city model, Project evaluation

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