

*Main thematic area: Economics/Science/Technology*

*Cost: £/££/£££*

## **Economic benefits of aviation**

### **Background**

Sound decision-making in relation to measures that address the environmental impact of civil aviation depends upon a solid understanding of both the environmental costs (negative impacts) and benefits (quantified economic value) of the sector. These costs and benefits need to be assessed in absolute terms and based on economic values if defensible policies and measures are to be applied towards a more sustainable future for aviation. Several major economic benefit studies have been undertaken in recent years: there is both a wide body of literature and a body of critical assessment of such work.

### **Study aims**

Omega will conduct a review of aviation's economic benefits with a view to balancing these against aviation's environmental impact.

A better understanding of the economic worth of aviation will enable a more realistic and viable cost-benefit analysis to be undertaken and provide the economic context for considering aviation's environmental performance.

### **Questions to be addressed**

The study will seek to answer:

- what are the metrics used and how effectively do they cover all economic benefits?

Lead: Loughborough University

Partners: Cambridge

Duration: 8 months

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- what are the valid main messages coming from the existing literature?
- is there any economic information and data that needs to be brought up to date?
- what is the disbenefit to society of reduced aviation growth, as economic activity and cultural/social needs might dictate?

### **Benefits**

This work will be based on a forward looking assessment of existing economic reviews so that it can assist in long-term strategic planning for the aviation sector. It will provide robust information on the economic value of aviation to demonstrate to stakeholders the need for a sounder analytical context for policy and decision making regarding measures to limit aviation's environmental impact.

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