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# MINNPOST

## Why you shouldn't feel too grateful to Delta for hiring people to help with the TSA security-line crunch

By [Louis D. Johnston](#) | 05/25/16



REUTERS/Brendan McDermid

Carry-on bags end up imposing costs on the TSA and passengers: TSA must hire more agents and/or buy more equipment, and all passengers (even those who check their bags) spend more time in security lines.

Travelers are getting more and more irritated about long lines at security checkpoints. It's getting so bad that, "Delta Air Lines will hire 40 people this summer to help federal agents get passengers through security faster at Minneapolis-St. Paul International Airport," according to the [Star Tribune](#).

Declining numbers of Transportation Security Administration (TSA) agents available to inspect passengers and their possessions combined with an increase in passengers since 2011 are the **proximate causes** of this problem. But to an economist, there's a more fundamental source: airlines are creating a "negative externality" by charging baggage fees.

### Externalities and their causes

An externality is a cost or benefit from an activity that accrues to those who do not pursue the activity. So, for example, getting vaccinated creates a positive externality because both the person being vaccinated and those who are not vaccinated benefit — each group is less likely to get sick.



Carry-on luggage generates a negative externality. Passengers bring their luggage on board, creating a bottleneck in the security lines as TSA agents must take more time to inspect all of the extra suitcases passengers are lugging on board their flights. Thus the carry-on bags end up imposing costs on the TSA and passengers: TSA must hire more agents and/or buy more equipment, and all passengers (even those who check their bags) spend more time in security lines.

Of course, there's a simple reason for all the carry-on luggage clogging up the security lines and jamming the overhead compartments of every commercial aircraft:

baggage fees. By charging fees for checked luggage, airlines generate a negative externality borne by all passengers and, ultimately, all taxpayers.

## Solutions to externalities

Economists advocate two types of solutions for externalities. First, if the parties creating the externality and those bearing the burden of the externality can communicate with one another at relatively low cost, then the groups should negotiate with one another to find a solution. For example, Delta is hiring personnel that will work with the TSA to speed up the security process. Similarly, the TSA and the airlines could negotiate a broader agreement whereby the airlines subsidize hiring and equipment purchases for the TSA.

Second, the government could impose a tax on the airlines. For instance, TSA could tag each bag with a barcode indicating the airline on which the passenger is traveling and charge the airline a fee for each bag that goes through the TSA passenger security check-in points. Or, the federal government could estimate the proportion of carry-on luggage each airline is generating and levy a user fee proportional to this figure.

Another way of correcting the problem would be to require airlines to charge fees for both checked and carry-on baggage — something budget carriers like Spirit already do voluntarily. This would work like a tax since it would increase the price of bringing luggage on board relative to checking it in, and would probably lead to more passengers checking their bags.

Of course, a simple solution would be for airlines to lower or eliminate checked baggage fees. They aren't likely to do this on their own, however, as those fees **generated roughly \$3.8 billion** in revenue

during 2015. A compromise might be to take the money being plowed into more TSA agents and send it to the airlines in return for reducing baggage fees. Or, the Department of Transportation could require airlines to offer at least one free checked bag per passenger per flight.

Taxpayers can pay for more TSA agents, Delta can hire workers to help with security, but the long lines won't go away until the airlines, the airport authorities, and/or the TSA deal with baggage-fee externalities.

#### ABOUT THE AUTHOR:



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Louis Johnston writes Macro, Micro, Minnesota for MinnPost, reporting on economic developments in the news and what those developments mean to Minnesota. He is Joseph P. Farry professor in the Eugene J. McCarthy Center for Public Policy and Civic Engagement at Saint John's University. He is also a professor of economics at the university.

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