



UNIVERSITY OF
ALBERTA

DEPARTMENT
OF ECONOMICS

FACULTY OF ARTS

NEWSLETTER

2005

Chair's Introductory Remarks

After five years of outstanding service as Chair, Brad Reid enjoyed a year's administrative leave in 2004-05...and my "excellent adventure" began. The year has been a challenging one for the Department and the learning curve quite steep for me. The active support of colleagues and support staff has enormously facilitated my re-integration into the Department – and for that I am extremely grateful to all of them.

Academic year 2004-05 and the first few months that followed have seen numerous personnel changes in the Department. *Shmuel Sharir* and *Terry Veeman* retired after guiding countless students through our courses and programs, and helping to set many on the path to a successful career. Thank you, Shmuel and Terry – all the best to you both in your future endeavours. *James Smythe* left to pursue other opportunities and *Pushan Dutt* resigned to take up an academic position in Singapore. I am pleased to report that *Valentina Galvani* joined us in July 2005. Welcome, Valentina!

The Department also welcomes *Brenda Carrier* who joined our support staff over the summer. Brenda takes up the position made available when *Margaret Howell* retired at the end of December. Margaret will be fondly remembered by all of us – and legions of our former graduate students. By the time this *Newsletter* reaches you, *Louise Edwards* will have left the Department, taking early retirement after 22 years of exemplary service as APO. Louise will be sorely missed by all of us – faculty members, support staff, and students. Thank you, Louise! We hope that your memories of your time with us will be as fond as those that we will all cherish of you.

And just to keep things simple, we have hired a new APO with the same first name – too much change would just have been too hard on economists! *Louise Whyte* joins us after stellar service with a research centre in the Department of Computing Science. We are really pleased that she chose to join us – welcome, Louise!

On a very positive note, a number of colleagues were successful in accessing external sources of research funding. *Stuart Landon* and *Constance Smith* received a research grant through a special initiative of the Social Sciences and Humanities Research Council (SSHRC) and the Conference Board of Canada. *Rick Szostak* obtained a standard research grant from SSHRC, *Denise Young* is a co-investigator in a successful SSHRC grant application, and *Claudia Landeo* secured research funding from a US-based agency. The funding agreement with Natural Resources Canada for the Canadian Building Energy End-Use Data and Analysis Centre, headed by *David Ryan*, was renewed for another year.

Student program enrolments and course registrations were up across the board again in 2004-05. While this testifies to the popularity and high quality of our programs and courses, it also leads to larger class sizes, limited access to many optional courses at both graduate and undergraduate levels, and increased demands on faculty members especially in terms of student research supervision. However, through it all, Economics remains a dynamic teaching/learning and research environment...and a great place to work!

André Plourde

RETIREMENTS

Shmuel SHARIR

Shmuel was born in Israel and spent much of his youth playing soccer – at one time, he was a member of the Israeli under-18 national team and later played for first, second, and third division teams in semi-professional ranks. His obvious talent as a soccer player helped him finance his post-secondary education at Hebrew University in Jerusalem, where he completed degrees in Economics, Statistics, and Business Administration. Shmuel obtained his PhD in Economics from Columbia University. He then returned to Israel, where he lectured at both Tel-Aviv University and Bar-Ilan University. In 1974-76, he was Visiting Assistant Professor at the University of Western Ontario. And then Shmuel found his true professional calling: he was appointed Associate Professor in the Department of Economics at this University in 1976. Tenure and promotion to Full Professor soon followed.

Shmuel has published extensively in labour economics. His papers in this field have appeared, not only in high-quality specialized outlets, but also in some of the top international refereed journals in Economics, including the *Journal of Political Economy* and *Econometrica*. In the 1980s, Shmuel decided to learn about industrial organization, another specialized field in Economics. With characteristic diligence and thoroughness, he adopted a “learning-by-doing” approach: not only did he teach in the area, but he also undertook research, which led to publication. Shmuel’s research interests have also led him to publish papers in marketing and political science.

Shmuel is a dedicated teacher, who brings not only tools from Economics to his students, but also conveys to them a sense of intellectual curiosity and a love of learning. He was our key faculty member in labour economics – his dedication and expertise will be sorely missed.

Terry S. VEEMAN

Terry Veeman was educated at the University of Saskatchewan, Oxford University – where he was a Rhodes Scholar – and the University of California, Berkeley. He has held a joint appointment in Economics and Rural Economy at this University since 1970. Terry’s home department and faculty have always been Economics and Arts, respectively.

Terry’s research career has been nothing short of outstanding. Terry has written and edited books, edited conference proceedings, and authored numerous articles that have appeared in top international refereed journals. From agricultural economics, to economic development, to forestry economics, to natural resources and the environment, to food and water issues, Terry has done it all – and done it extremely well.

Terry is also an excellent teacher. Year after year, he has inspired undergraduate and graduate students in both Economics and Rural Economy. We will especially miss his strong contribution as our key faculty member in the field of economic development. Terry’s service contributions, both within the University and in the community at large, have also been remarkable. Not only is he a conscientious student advisor, research supervisor, and all-around mentor, but he has also found the time to contribute extensively to the

activities of numerous organizations, including many professional associations.

In recognition of his remarkable career, Terry was elected President of the Canadian Agricultural Economics Society for 1995-96. Terry Veeman – dedicated teacher, scholar, and public-minded economist – will remain an outstanding ambassador for the University of Alberta.

Louise EDWARDS

Louise Edwards has been the Administrative Professional Officer (APO) in the Economics Department for the past 22 years. Louise has served as APO for six Department chairs or acting chairs in Economics. She has kept the Department functioning smoothly over the years, even during times of severe budgetary restraint. Among her many contributions to the Department and University, Louise was the University's Loaned Representative to the 1993 United Way Campaign. She also served a year as Acting Executive Assistant to the Dean. She has been a leader in the Arts' APO group and has served as APO representative on the AAS:UA.

For over two decades, Louise Edwards has helped everyone in the Department by ensuring that the Department's support services run smoothly and efficiently, and that the atmosphere in the Department is convivial and congenial. Louise will be missed by all of her colleagues in Economics.

NEW FACES

Valentina Galvani

Newly-appointed Assistant Professor Valentina Galvani hails from Italy. Valentina holds a Master in Mathematics from the University of Milan (1998) and a "Dottorato di ricerca" (Italian PhD) in Financial Mathematics from the University of Brescia (2001). She also received a Master (2003) and a PhD (2005) in Economics from Purdue University after which she promptly joined our department here in Edmonton.

In Valentina's first degree, she took a math/econ course which intrigued her. She began to realize that she could use her math toolbox in a field that was about reality. In the 1990s, she began to study financial economics, her interest triggered by the financial markets surge in the eighties. Valentina wanted to find a way to relate mathematics to reality and finance to economics. Her current research focuses on financial market completeness obtained by derivatives trading. Valentina's research interests include General Equilibrium Asset Pricing, Insurance Markets and Weather Derivatives.

STUDENTS IN THE WORLD

Once again we are very pleased to feature career profiles on three of our former students. Each did his degree in a different decade. Al O'Brien graduated in 1964, Jack Mintz graduated in 1973, and Ken Kroner completed his degree at the University of Alberta in 1983. We hope you find these profiles interesting.

Ken Kroner

Ken Kroner grew up in Sherwood Park, and did his undergraduate work at the University of Alberta. After graduating in 1983 with an honours degree in Mathematics and Economics, Ken went to graduate school in economics at the University of California at San Diego. He completed his PhD in Economics in 1988 under the direction of eventual Nobel Laureates Clive Granger and Rob Engle. His dissertation focused on developing ways to forecast uncertainty, or risk, in the stock market.

After receiving his PhD, Ken became an economics professor at the University of Arizona in Tucson. His main teaching responsibilities were econometrics and statistics, which he taught to both economics students and business school students, at the undergraduate and graduate levels. While at the University of Arizona, Ken expanded his research from forecasting volatility to forecasting asset markets in general. His research has been published many times in both academic and practitioner journals.

This shift in research focus proved useful because upon receiving tenure in 1994, he moved to San Francisco to join one of the world's largest money management companies, Barclays Global Investors. Ken is now responsible for a multi-billion dollar hedge fund and >\$30 billion currency portfolio. He runs BGI's global markets activities in the US and is responsible for BGI's market-level research and economic research globally, splitting his time between London and San Francisco. In addition to his responsibilities at BGI, Ken serves on the editorial boards of several academic journals.

While living in Tucson, Ken met and married Jennifer. They now have two sons

and a daughter (Ryan, 11, Sammy, 8 and Amber, 7).

Al O'Brien

I arrived at the UofA in the fall of 1960 fresh off the farm at Barrhead Alberta. I moved into St Stephen's College men's residence (conveniently located on 112th street across from the Tuck Shop) and enrolled in what was then the 3 year BA program in the Department of Political Economy. In December, the Department Chair, Eric Hanson, called me into his office in the North Lab to suggest I join the four year Honours Economics Program (becoming one of two economics majors and three poli-sci majors in the program). The principal attraction of the Honours program was that I would not have to take any further science courses! Only later did I learn that the down-side was I would have to take calculus, stats, and of course Adolf Buse's econometrics. And Adolf of course made no concessions to his fellow Barrhead High grad.

This was the beginning of a long and happy relationship with the department. I joined the "Men's Economics Club" (no one imagining in those days that a young woman might be interested in the "dismal science"), worked as a research assistant for Eric Hanson in the summers following my second and third years, and obtained a magnificent \$600 "readership" in my 4th year, for which I was only required to work one half-day a week.

Following graduation in May of 1964, I joined the labour statistics unit of the Alberta Bureau of Statistics and was shortly introduced to the astonishing world of Fortran programming--to assist in the development of 20 year forecasts of Alberta's population and labour force. As I recall we thought it entirely possible that by the 1980s,

gross reproduction rates could fall below 3.0!

In Feb of 1965 I was seconded to the Alberta Treasury for ninety days to work again under the direction of Eric Hanson, who was advising the Province on federal-provincial fiscal relations and the work of the newly created "Tax Structure Committee." The "ninety days" turned into 34 years until I retired as Deputy Provincial Treasurer in 1999. I did return to the UofA in 1967 to do an MA in public finance, which I finally received in 1969 upon the completion of my thesis on the incidence of an Alberta retail sales tax--the hottest public finance issue of the day. My thesis committee was chaired by Vlad Salyzyn and included Eric Hanson, who drew bright red lines with his trusty wooden ruler down every page which violated the University of Chicago style book, and Roger Smith, newly recruited to the Faculty of Business, as the external member. I retained my relationship with Eric for many years through his service as a Director of the Alberta Municipal Finance Corporation. Roger Smith provided advice on taxation and fiscal policy issues to the Alberta Treasury throughout (and after) my career there.

I also spent a year in 1969-70 teaching in the public administration division of the UofA Department of Extension, before returning to the Treasury in July of 1970 to resume my job as Director of the newly formed Alberta Budget Bureau. Over the ensuing years, I served as Assistant Deputy Treasurer, Controller, and Deputy Provincial Treasurer in the Government of Alberta. Upon my retirement in 1999, I was delighted to continue my association with the Department of Economics through my appointment as a Fellow of the Institute for Public Economics. I was also delighted that through the generosity of friends and associates, the

department was able to establish the "A.D. O'Brien Graduate Scholarship in Public Finance."

In short, my relationship with the University of Alberta Economics Department has been a long and rewarding one, and I wish continuing success to the faculty, students and staff of the department, and thank the department and its faculty for their support and inspiration over many years.

Jack Mintz

Jack Mintz graduated in 1973 from the Faculty of Arts at the University of Alberta with an Honors degree in Economics. He went on to complete a PhD at the University of Essex. Today he is President and Chief Executive Officer of the C.D. Howe Institute, an independent policy think-tank, with members from the senior ranks of business, government and academia. He is also the Deloitte & Touche LLP Professor of Taxation, Joseph L. Rotman School of Management, and co-director of the International Tax Program, Institute of International Business, both at the University of Toronto.

In addition to his positions with the C.D. Howe Institute and the University of Toronto, Dr. Mintz serves on the boards of Brascan, the Royal Ontario Museum Foundation, National Statistics Council, Ontario Financing Authority, CHC Helicopter Corporation, Imperial Oil Limited, International Institute of Public Finance, and Sylvia Ostry Foundation Board. He has published more than 180 books and articles in the fields of public economics and fiscal federalism. He is also a regular contributor to Canadian Business and has frequently published articles in the national newspapers. He serves as an Associate Editor of *Contemporary Accounting*

Research and International Tax and Public Finance, and is a research fellow of CESifo, Munich, Germany.

In 2002, Dr. Mintz's book, *Most Favored Nation: A Framework for Smart Economic Policy*, was winner of the Purvis Prize for best book in economic policy and runner-up for Donner Prize for best book in public policy.

Dr. Mintz was the Clifford Clark Visiting Economist at the Department of Finance, Ottawa, and Chair of the federal government's Technical Committee on Business Taxation in 1996 and 1997; Associate Dean (Academic) of the Faculty of Management, University of Toronto, 1993-95; a special advisor to the Deputy Minister, Tax Policy Branch, Department of Finance, Ottawa, 1984-86; and Director of the John Deutsch Institute, Queen's University, 1987-89. He was the founding Editor-in-Chief of *International Tax and Public Finance*, published by Kluwer Academic Publishers from 1994 – 2001.

Dr. Mintz has consulted widely with the World Bank, the International Monetary Fund, the Organisation for Economic Co-operation and Development, the governments of Canada, Alberta, New Brunswick, Ontario, and Saskatchewan, and various businesses and nonprofit organizations.

Alumni Please Drop Us a Line...

We thank Al O'Brien, Jack Mintz and Ken Kroner for taking the time to share with us their career experiences. We are curious about our alumni, both undergraduate and graduate. Please let us know what you are up to, and how your education here has served you in your life. We are also curious as to how our present students experience

our program. We may profile you in a future newsletter!

Contact information:

<http://www.ualberta.ca/economics>

FACULTY IN THE WORLD

Paul Boothe

Paul Boothe is in his second year as Associate Deputy Minister of Finance in the Federal Government. Paul's portfolio is the G8 which means he spends most of his time on planes and in airports.

DEPARTMENT OF ECONOMICS RESEARCH ACTIVITIES

FACULTY PUBLICATIONS

(Selected from staff annual reports for academic year 2003-2004.)

Boothe, Paul and Mary Carson, "What Happened to Health-Care Reform?" C.D. Howe Commentary 193 (December 2003).

Boothe, Paul and Iryna Kryvoruchko, "Do Federal Transfers Stabilize Regional Government Revenues? Evidence from Australia and Canada." *Public Finance and Management*, forthcoming.

Boothe, Paul, "The Stabilization Properties of Canada's Equalization Program". In H. Lazar (editor), *Canadian Fiscal Arrangements: What Works, What Might Work Better*. McGill-Queens University Press and the Institute for Intergovernmental Relations, forthcoming.

Dahlby, B.G. "Using the Marginal Cost of Public Funds to Evaluate Public Expenditure

Programs” to be published in *Handbook of Public Sector Performance Reviews*, Volume 4, edited by Anwar Shah, The World Bank, Washington, D.C.

Dutt, Pushan and Mitra, D. “Political Ideology and Endogenous Trade Policy: An Empirical Investigation,” *Review of Economics and Statistics* (in press).

Eckert, A. and Douglas West, “Price Uniformity and Competition in a Retail Gasoline Market,” *Journal of Economic Behavior and Organization*, Vol. 56 (2005), 219-237.

Eckert, A. “An Alternating Move Duopoly Model with Stochastic Costs,” *International Journal of Industrial Organization*, Vol. 22 (2004), 997-1015.

Eckert, A. and Douglas West, “Testing for Predation by a Multiproduct Retailer,” in *The Pros and Cons of Low Prices*, Einar Hope (ed.) Swedish Competition Authority, 2003: 39-69.

Eckert, A. and Douglas West, *Canadian Supplement for Industrial Organization, Second Edition*, Pearson Education Canada Inc., 2005.

Eckert, H. “Inspections, Warnings, and Compliance: The Case of Petroleum Storage Regulation,” *Journal of Environmental Economics and Management*, Vol. 47 (2004), 232-259.

Maddigan, Sheri L., Jeffrey A. Johnson, and David H. Feeny, “The Construct Validity of the RAND-12 and Health Utilities Index Mark 2 and 3 in Type 2 Diabetes,” *Quality of Life Research*, Vol. 13 (March 2004), 435-448.

Feeny, David and Darrell J. Tomkins, “Health-Related Quality of Life in Prenatal

Diagnosis,” *Expert Review of Pharmacoeconomics and Outcomes Research*, Vol. 4 (April 2004), 207-213.

Barr, Ronald D., David Feeny, and William Furlong, “The Economics of Childhood Cancer Care,” *European Journal of Cancer*, Vol. 40 (June 2004), 1335-1345.

Landon, S.K. and C.E. Smith, “Exchange Rates and Investment Good Prices: A Cross-Industry Comparison,” *Journal of International Money and Finance*, forthcoming.

De Palma, A. and R. Lindsey, “Congestion Pricing with Heterogeneous Travelers: A General-Equilibrium Welfare Analysis,” *Networks and Spatial Economics*, Vol. 4 (2004), 135-160.

Wang, J.Y.T., H. Yang and R. Lindsey, “Locating and Pricing Park-and-Ride Facilities in a Linear Monocentric City with Deterministic Mode Choice,” *Transportation Research B*, 38B (8) (2004), 709-731.

De Palma, A., R. Lindsey and E. Quinet, “Time-Varying Road Pricing and Choice of Toll Locations,” in G. Santos (ed.), *Road Pricing: Theory and Evidence*, Elsevier Science, 2003, Chapter 5, 107-131.

Neil Hepburn, Edward LeSage and Melville McMillan, “Shared Service Arrangements: Determinants of Success, A Study of Economic Development and Recreation and Culture Shared Service Arrangements Among Municipalities of the Alberta Capital Region,” *Information Bulletin 78*, Western Centre for Economic Research, University of Alberta, June 2004.

Terence E. Molik, Kevin M. Johnston, Peter Boxall, Wing Chan, Melville McMillan, John Thompson, Elaine Smith and Michael Fujda, *The Impact of Oil and Gas Activity on Rural*

Residential Property Values. Alberta Energy Utilities Board, December, 2003.

David L. Ryan, André Plourde, Denise Young, "Changing Panes / Changing Pains: The Determinants of Commercial Retrofit Decisions in Canada," Proceedings of the 25th North American Conference of the USAEE/IAEE. Cleveland: USAEE/IAEE, 2003, CD-ROM.

David L. Ryan, D. White, and A. Plourde, "The Canadian Building Energy End-Use Data and Analysis Centre at the University of Alberta," *Energy Studies Review*, 11:2 (2003), 230-232.

Smith, R.T. "Price Volatility, Welfare, and Trading Hours in Asset Markets," *Journal of Banking and Finance*, Vol. 25 (March 2001), 479-503.

Szostak, R. "Classifying Science: Phenomena, Data, Theory, Method, Practice," 290 pages.

Szostak, R. "Science and Technology," *Gale Encyclopaedia of the Great Depression*, Robert S. McElvaine (ed.), 865-70, Feb. 2004.

van Egteren, H. and R.T. Smith, "Interest Rate Smoothing and Financial Stability," *Review of Financial Economics*.

Veeman, T. and M. Veeman, "Editorial/Foreword: Current Issues in the Economics of Agriculture, Food, and Resources: Reshaping Agriculture's Contributions to Society," *Agricultural Economics (The Journal of the International Association of Agricultural Economists)* 31 (2004).

Wilson, L.S. "Equalization, Efficiency and Migration: Watson Revisited," *Canadian Public Policy* (Dec 2003), 385-396.

PROFESSIONAL AND PUBLIC

ACTIVITIES (Selected from staff annual reports for academic year 2003-2004.)

Boothe, P.M.: Director, Institute for Public Economics - University of Alberta; Research Chair: EnCana Scholar in Public Policy – CD Howe Institute.

Dahlby, B.G.: Participant at a meeting of federal and provincial officials at the Fiscal Arrangements Committee Conference on the Equalization of Property Tax Revenues, Ottawa, November, 2003; Member of the Executive Council, Canadian Economics Association.

David Feeny: President-Elect, The International Society for Quality of Life Research, 2003-2004.

M.L. McMillan: Invited Presentation: "Recent Developments in Municipal Finance and Possible Future Directions," to the Prime Minister's External Advisory Committee on Cities and Communities, Toronto, April 26, 2004; Invited Presentations (three) to Edmonton City Council and senior administrators as part of the City's Four Pillars of Urban Sustainability analysis; Member of the Board of Directors of the Van Horne Institute, Calgary.

A. Plourde: Vice-President and Treasurer, International Association for Energy Economics (IAEE), 2003-04; President, Canadian Association for Energy Economics, 2003-04.

B.G. Reid: Chair, Department of Economics; President, U of A Faculty Club (1 April 2004 to 31 May 2005); Member, Board of Directors, Institute of Health Economics.

R. Szostak: Associate Dean, Interdisciplinary and International Studies, Faculty of Arts;

Member of the Board, Association for Integrative Studies, 2002-4; Board of the Edmonton Social Planning Council, May 2004.

T.S. Veeman: Research Administration: Research Area Co-Leader for Policy and Institutional Analysis, Sustainable Forest Management NCE, Interim Scientific Director (April 1-May 31, 2004), and financial signing authority for the Network (since April 1, 2004); Director, International Association of Agricultural Economists-Canadian Chapter.

C.D. Young: Associate Director, CBEEDAC (Canadian Building Energy End-Use Data and Analysis Centre); Member, Board of Directors, CABREE (Centre for Applied Business Research in Energy and the Environment).

FACULTY GRANTS

(Selected from staff annual reports for academic year 2003-2004.)

B.G. Dahlby: Donner-Canadian Foundation Grant.

P. Dutt: SSHRC Standard Research Grant, "The Political Economy of Trade Policies: Partisan and Median Voter Considerations."

A. Eckert and D.S. West: "Retail Gasoline Price Dispersion and Volatility," Social Sciences and Humanities Research Council Standard Research Grant.

H. Eckert: SSHRC standard research grant, "An Empirical Examination of Environmental Regulation in Alberta."

D. Feeny (with Ronald Barr, William Furlong, John Horsman, A. McGowan, A. Moghrabi, Alessandra Sala, and Y.Samson): "An Economic Evaluation of the Treatment

of Acute Lymphoblastic Leukemia in Canadian Children: A Comparison among Major Treatment Protocols," Ontario Cancer Research Network Project No. 02-NOV-0225 OCRN, 2003-2006.

P. Fung: Endowment Fund for the Future – Support for the Advancement of Scholarship (SAS) Research Fund, University of Alberta, Faculty of Arts.

S.K. Landon: SSHRC 4A.

C.R. Lindsey: Social Sciences and Humanities Research Council of Canada.

M.L. McMillan: Alberta Capital Region Alliance (with Edd LeSage of Government Studies, Faculty of Extension). Determinants of the Success or Failure of Shared Service Arrangements.

M. Nikitin (with C. M. Landeo): Endowment Fund for the Future – Support for the Advancement of Scholarship (SAS) Research Fund, University of Alberta, Faculty of Arts.

D.L. Ryan: Government of Canada, Department of Natural Resources, Office of Energy Efficiency (OEE), "Canadian Building Energy End-Use Data and Analysis Centre (CBEEDAC)," May 2004.

J.G. Smythe: Canadian Foundation for Innovation, Infrastructure Project, Co-Investigator (PI: Gary Lopaschuk, 42 other co-investigators). Cardiovascular Translational Research Centre, March 2004 – September 2007.

T.S. Veeman: Sustainable Forest Management Network, "Productivity Analysis and the Role of R&D Expenditures in the Wood Products Industry in Canada." Grant toward PDF support, 2003-2004.

THE CANADIAN BUILDING ENERGY END-USE DATA AND ANALYSIS CENTRE (CBEEDAC)

CBEEDAC began operations at the University of Alberta in March 2002, with the objective of working with data providers and users within the residential and commercial sector, and the research community, to provide a forum on strategic data collection and analysis, and to facilitate an integrated approach to energy-efficiency improvements in these sectors.

This year, marked by André Plourde's return to the Department of Economics as Chair, has also seen his reinstatement as an Associate Director of the Centre, along with Denise Young who continues in this role. Joseph Doucet, from the School of Business, has taken sabbatical leave in France this year and is temporarily on leave as Associate Director. David Ryan continues as director of CBEEDAC, while Heather Eckert, and Mel McMillan continue as research associates.

Recent CBEEDAC-supported empirical research by Ryan and Plourde, concerned with modelling asymmetric demand responses to energy price changes – based on the finding that consumer responses to energy price increases appear to be different in magnitude and longevity from those associated with equivalent energy price reductions – was presented in a number of venues. These included the MITAC conference in Halifax, the 6th European conference of the International Association for Energy Economics held in Zurich, a Department of Economics seminar at the University of Auckland in New Zealand, and locally in a Department of Economics

workshop at the University of Alberta. In addition, a number of papers on the energy-related research being undertaken by CBEEDAC, as described below, were presented in Ottawa to Natural Resources Canada's Office of Energy Efficiency, the primary funding agency for CBEEDAC.

As in previous years, CBEEDAC provided direct financial support as well as training opportunities and computing resources to students interested in working in the area of energy economics. In addition to direct full-time student financial support during fall and winter terms, CBEEDAC provides part-time assistance during the summer months to enable students to work on energy topics that fit in with the Centre's mandate, and which may form the basis of their MA, PhD, or certain other projects. In total, CBEEDAC provided financial assistance for seven graduate/undergraduate students during the past year. This summer Nigel Fish, Ronggui Liu, and Jon Buck provided research assistance on a variety of projects ranging from measuring the standby power consumption of electronic office and household equipment to conditional demand analysis of residential energy end use. In the preceding fall and winter terms, Alan Puongpienr and Samson Amusan explored differences in energy consumption for specific commercial building types in different regions of Canada, while Jian Wang and Ronggui Liu helped piece together commercial and residential energy price series. In addition, Ergete Ferede helped Ryan and Plourde with their efforts to assemble complete residential energy data, and Junaid Jahangir, who completed his Doctoral Candidacy Exam in economics, continued work on his dissertation on the effects on consumers of the restructuring of the electricity industry in Alberta.

In addition to providing internal reviews for its funding partners, CBEEDAC produces reports on building sector technology and economics. This year research has also been completed on energy consumption in domestic water heating, comparative analysis of current and other commonly used methods for dealing with uncertainty in cost-benefit analysis, and stochastic frontier (efficiency) analysis of commercial building energy consumption.

CBEEDAC continues to produce newsletters that document the activities of the Centre and contain articles on current issues of interest in energy economics. Recent articles have provided brief synopses of the projects CBEEDAC is undertaking, as well as covering such topics as evaluation of efficiency in commercial buildings and water heating energy demand. Copies of these newsletters as well as those from previous years can be accessed from the CBEEDAC website (<http://www.uofaweb.ualberta.ca/economics/cbeedac.cfm>).

Should you be interested in being added to the mailing list to receive future newsletters, or if you wish to find out more about CBEEDAC or to become involved with its activities, the Executive Director, Donna White, can be contacted by mail through the Department of Economics, or directly by phone at 492-4134 or by email to cbeedac@ualberta.ca

INSTITUTE FOR PUBLIC ECONOMICS (IPE)

Founded in 1997, the Institute for Public Economics seeks, through research and teaching, to create and disseminate

knowledge of the public sector and its influence on the economy and society.

Institute fellows have been involved in several projects aimed at developing public policy. A. D. O'Brien was named Chair of the *Expert Panel on Equalization and Territorial Formula Funding*, and the Institute has provided administrative support to him in that capacity. Bev Dahlby, André Plourde and Sam Wilson each made submissions to the *Expert Panel*. The IPE Health Research Group continued to work with Alberta Health and Wellness to follow-up the report to the *Expert Advisory Panel to Review Publicly Funded Health Services*. Doug West was an invited participant in the *Vancouver Roundtable on the Treatment of Efficiencies under the Competition Act* and provided economic advice to the Commissioner of Competition and the Competition Bureau.

The Institute hosted two visits by staff from the Thailand Development Research Institute. In the summer of 2004, four TDRI staff members visited the Institute and received intensive training in time series econometric techniques. Another five staff members of TDRI visited the Institute in the summer of 2005 and received training in qualitative and limited dependent variable econometrics.

In the fall of 2005, the Institute organized the 11th Eric J. Hanson Memorial Lecture for the Department of Economics. The invited speaker was Professor Ronald McKinnon from Stanford University. The topic of his lecture was "International Adjustment under the Dollar Standard: Japan and China versus the United States."

HIRING

As mentioned earlier in the newsletter, the Department is pleased to announce the appointment of Valentina Galvani. The Department will be recruiting to fill two academic positions for July 2006.

SCHOLARSHIPS & AWARDS

Congratulations to the Department of Economics 2005 Scholarship and Prizewinners:

- **Ryan Tilleman and Curtis Zubot** — The Duncan Alexander MacGibbon Medal in Economics. In 2005, this medal was awarded jointly. Value: sterling gilt medal.
- **Arianna Waye** — AD O'Brien Graduate Scholarship in Public Finance. Value: \$5,500.
- **Annamarie Senkiw and Alan Puongpienr** — IPE Scholarships. Value: \$1,000 each.
- **Recruitment Scholarship** – Owen Jung. Value: \$1,000.
- **Feng Qin** — Dr Milton F Bauer Memorial Scholarship. Value: \$1,750.
- **Paul Michael Kearns** — Dr Manmohan Singh Prize in Economics. Value: \$500.
- **Paul Michael Kearns** — KD Verville and DM Lowtan Scholarship for Academic Excellence. Value: \$800.
- **Liming Wang** — Economics Society of Northern Alberta. Value: \$750.
- **Wenhong Huang** — MA Core Course Prize. Value: \$250.
- **Robert van Blyderveen** — MA Research Prize. Value: \$250.
- **Christopher Quilley** — Archibald Forster McGoun Memorial Book Prize in Economics. Value: \$400.
- **Robert White** — Balder von Hohenbalken Memorial Book Prize in Economics. Value: \$100.

STUDENT PROGRAM INFORMATION

We hope it will be of interest to our alumni and those outside the Department of Economics to see a summary of the past ten years of graduate and undergraduate convocations and of ten years of undergraduate registrations. The following tables illustrate the growth in enrolments and the interest in our programs that the Department has been experiencing in the past ten years.

Graduate Convocations Jul 1-95 to Jul 1-05					
	Fall		Spring		
Year	MA	PhD	MA	PhD	Total
1995-96	9	0	4	0	13
1996-97	5	0	1	1	7
1997-98	4	1	4	0	9
1998-99	5	2	3	0	10
1999-00	4	1	1	0	6
2000-01	3	0	5	1	9
2001-02	5	0	5	0	10
2002-03	8	1	2	0	11
2003-04	5	0	9	0	14
2004-05	11	0	5	1	17

Undergraduate Convocations Jul 1-95 to Jul 1-05			
Year	Fall	Spring	Total
1995-96	11	51	62
1996-97	12	40	52
1997-98	14	39	53
1998-99	3	34	37
1999-00	14	50	64
2000-01	21	104	125
2001-02	36	85	121
2002-03	23	108	131
2003-04	32	105	137
2004-05	26	133	159

Ten-Year History of Majors and Honors

Year	# of Majors	# of Honors	# of Registrations
2004-05	737	28	7285
2003-04	528	23	6989
2002-03	354	20	6541
2001-02	327	10	6088
2000-01	298	15	6165
1999-00	288	14	6257
1998-99	275	12	5989
1997-98	238	11	5250
1996-97	275	11	5321
1995-96	383	15	5396

CONVOICATIONS

PhD degrees conferred:

Spring 2005

ANYANGAH, Joshua Okeyo: *Essays in Environmental Economics*

Fall 2005

FEREDE, Ergete: *External Public Debt, Economic Growth, and Welfare Gains from Debt Relief for HIPC's*

MA degrees conferred:

Spring 2005

BAJWA, Rajbir Singh: *A Revision of the Natural Resource 'Curse' Model*

CHAU, Sau Ching Angela: *Foreign Direct Investment and Economic Growth in Asia and Latin America Emerging Markets*

KHAN, Md Abdul Faisal (Econ/Finance): *Congestion Pricing on a Road Network: A Study Using the Dynamic Equilibrium Simulator METROPOLIS*

WANG, Luming: *Health Care Services Utilization of Elderly Canadians: Evidence from Cross-Sectional Data*

WU, Fang: *A Comparison of Public and Private Toll-Road Pricing on a Congested Road Network*

Fall 2005

ASHAKUL, Bawornpan: *The Impact of Exchange Rate on Market Share of Export: Agricultural Product in the U.S. Market*

BARBER, Jeff Lance (Econ/Finance): *The Educated Consumer Avoids ATM Fees*

CARRENA, Anthonia (Econ/Finance): *The Determinants of Capital Structure: Canadian Evidence*

CHOWDHURY, Reza Haider: *Understanding Exchange Rate Exposure and its Significance in Determining Profitability of Canadian Industries*

DAY, Mary Kathleen O'Connell: *Event Studies and the Market Power/Efficiencies Hypothesis*

PHUNG, Cindy Huong: *Determinants of Social Welfare*

SCHIMPF, Michael: *The Resource Curse Hypothesis Reconsidered: A Panel Data Approach*

TAM, Franco Wai Tong: *Does Exchange Rate Risk Impede International Trade? A Case Study on Canada's Aggregate Trade Performance*

VAN BLYDERVEEN, Robert: *Monetary Policy Expectations and Shocks as Predictors of Future Equity Returns*

WANG, Jian: *Gender Differences in Health: A Canadian Study of Socioeconomic, Behavioral, and Psychological Determinants of Health*

ZONG, Le (Econ/Finance): *The Effects of Canadian and US Monetary Policy on the Canadian Term Structure*

VISIT OUR WEB SITE

The department web site at <http://www.ualberta.ca/economics> provides information on our undergraduate and graduate programs, the teaching and research interests of faculty, and links to faculty web sites. The Department has begun an initiative to post news items that are current as they happen throughout the year. We have also posted course outlines for all courses to the web beginning with spring and summer terms. Those of you who may be curious about what is being taught in a course you once took may find it interesting to read some of the course materials posted on the web. We would appreciate feedback on our website in general and on what you would like to see added. Please keep in touch – we love to hear from you!

THANKS

The Department of Economics would like to express its thanks to all of the individuals, agencies, and corporations that have made donations to support the Department's scholarships, student awards, and research activities over the years. The Department would like to encourage all of its students, alumni, staff, and past donors to continue supporting the Department's teaching and research activities. Donations may be designated for a particular purpose (e.g., to support the A.D. O'Brien Graduate Scholarship in Public Finance or the Balder von Hohenbalken Memorial Book Prize in Economics), or to provide general support to the Department (i.e., the Education Endowment Fund for Economics). For alumni who would like to contribute to the Education Endowment Fund for Economics, you may send your donation to the Development Office of the University of Alberta, 6th Floor General Services Building, Edmonton, AB T6G 2H1. For information about undergraduate awards available to students majoring in Economics, visit <http://www.uofaweb.ualberta.ca/economics>.

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