

## Chair's Introductory Remarks

A number of developments have brought about important changes to the Department in 2006-07. In particular, we had one of our most successful recruitment years ever: we hired four full-time faculty members – four outstanding recruits who broaden and strengthen the Department's research and teaching expertise. **Brad Humphreys** is the first holder of the Chair in the Economics of Gaming. This position was created as a result of the financial support extended by the Alberta Gaming and Research Institute, and contributions from the Faculty of Arts and the University of Alberta. I wish to thank all three organizations for their support, which allows us to offer new course and research opportunities to our students. **Joseph Marchand** will strengthen our expertise in labour and public economics. **Jane Ruseski** comes to us with interests in health economics and industrial organization, while **Beyza Ural** specializes in development and international economics. Welcome all of you – we are thrilled that you decided to join us!

I am sorry to report, however, that **Maxim Nikitin** resigned his position to accept an academic appointment in Russia. Thanks to Max for his contributions while here at the UofA; our best wishes as he embarks on this new stage of his career. The search to fill his position has already begun, with a view of having someone in place for the next academic year. In 2006-07, the Department was also allocated by the University a senior (or Tier I) Canada Research Chair, jointly with the Department of Marketing, Business Economics and Law. Thanks are due to the Faculty of Arts for support in securing this allocation. The search for a senior scholar in International Economics or the Economics of Natural Resources (including Energy and the Environment) is already under way.

In other Department news, **David Feeny** was on leave without pay with Kaiser Permanente in Portland, Oregon, while **Claudia Landeo** spent most of the year in Australia, taking up an opportunity offered to her by Carnegie Mellon University. A number of colleagues were also successful in securing external research funding in 2006-07: **Loretta Fung** and **Robin Lindsey** both obtained SSHRC standard research grants; as a result of the efforts of **David Ryan**, the financial support for the Canadian Building Energy End-use and Data Analysis Centre was renewed for another year.

As you will see in more detail later, the **Institute for Public Economics** had a very active year. Not only did the Institute sponsor (with the support of the Alberta

Department of Finance) a number of seminars that brought high-profile speakers to the campus, it also spearheaded an innovative series of public forums. With the collaboration of the *Edmonton Journal*, three forums were organized at which speakers offered different perspectives on policy issues of relevance to Albertans. Judging by the attendance at each of these sessions, they struck a chord with University colleagues, students, and the general public. Our thanks to **Paul Boothe** for all his efforts on this front and to our friends at the *Edmonton Journal* for their support. The Institute also hosted this year's Eric J. Hanson Memorial Lecture. We were privileged to hear the Honourable Peter Lougheed address a crowded room on issues of public policy making.

**Robin Lindsey** also organized the first international conference on funding transportation infrastructure. Through Robin's diligent efforts, this event brought experts from around the world to Alberta to share research results on this important issue.

I am also pleased to tell you that **Gordon Lee**, who as many of you know is a full-time sessional instructor in the Department, was awarded the Kathleen W. Klawe Prize for Excellence in Teaching Large Classes. Through this award, the University recognized Gordon's outstanding contribution to the Department's teaching efforts. At another level, this award to a sessional instructor in Economics is particularly appropriate: for many years, Mrs. Klawe, after whom the Prize is named, taught numerous large sections of first-year Economics.

As you can tell, this was an eventful year. It all happened in a context of growing course enrollments at both undergraduate and graduate levels, and continued growth in the number of graduate program registrations. My thanks to all those – faculty members, sessional instructors, support staff, students – who helped make 2006-07 a very successful year!

*André Plourde*

## **NEW FACES**

### **Brad Humphreys**

Brad R. Humphreys, newly appointed associate professor, holds the Alberta Gaming Economics Research Chair. He received his bachelors in economics from West Virginia University and his masters and PhD in economics from Johns Hopkins University. Before coming to the University of Alberta he was associate

professor in the Department of Recreation, Sport and Tourism at the University of Illinois at Urbana-Champaign. He was also an assistant and associate professor in the Department of Economics at the University of Maryland, Baltimore County. In 2000 he was a visiting scholar at the congressional Budget Office. In 2001-2002 he was a Fulbright Scholar at the Center for Economic Research and Graduate Education – Economic Institute (CERGE-EI), a graduate program in economics affiliated with Charles University and the Czech Academy of Sciences, in Prague, Czech Republic. Since 2006 Brad has been a visiting researcher at the U.S. Bureau of Labor Statistics, Office of Prices and Living Conditions.

Brad's research on the economics and public policy of sports – including research on the economic impact of sports franchises and facilities, the effect of Title IX on intercollegiate athletic programs, and the competitive balance in sports leagues – has been widely published in economics and public policy journals. He has written about sports and public policy for the Cato Institute. He also has an active research agenda in the economics of gaming.

Brad is an Associate Editor of the *Journal of Leisure Research*, the Book Review Editor of the *International Journal of Sport Finance*, and a member of the editorial boards for the *International Journal of Sport Finance*, *Sport Management Review*, and the *International Journal of Sport Management and Marketing*. He has served as a guest editor of special issues of *Contemporary Economic Policy*, the *International Journal of Sport Finance*, and *Public Finance and Management*. He is co-editor, along with Dennis Howard, of the Warsaw Sport Marketing Center at the University of Oregon, of the three volume edited collection *The Business of Sport*, which will be published in winter 2008 by Praeger Publishing.

Brad's research has been featured in numerous media outlets including *Sports Illustrated*, the *Wall Street Journal* and *USA Today*. He has testified before the United States Congress on the financing and economic impact of professional sports stadiums.

## **Joseph Marchand**

Joseph Marchand is a newly appointed Assistant Professor of Economics. His primary research fields are labour economics and public finance, and his current interests are in the economics of aging, income and wealth, and the allocation of time. Prior to joining the faculty at the University of Alberta, Joseph held research positions at Princeton, Columbia and Syracuse Universities. Joseph holds a doctorate degree in economics from Syracuse University, a master's degree in

economics from New York University, and graduated as a Henry Rutgers Scholar with a B.A. in economics from Rutgers.

## **Jane Ruseski**

Jane Ruseski earned her Ph.D. in Economics at the Johns Hopkins University in Baltimore, Maryland in 1998. Her research interests are in health economics, finance and policy. She is currently engaged in research in four areas: 1) economic and public health policy aspects of physical activity and obesity; 2) the economics of steroid use among adolescents; 3) organizational and strategic behavior, market structure and competition in health care and sport markets; and 4) evaluation of health care reform policies in the transition economies of Central and Eastern Europe and the newly independent states of the former Soviet Union. Her teaching interests are in health economics and industrial organization.

Most recently, she was a visiting assistant professor in the Department of Kinesiology and Community Health at University of Illinois at Urbana-Champaign where she taught Health Data Analysis and Health Services Financing. Prior to joining the faculty at the University of Illinois, she was an economist in the antitrust division of the Federal Trade Commission. In addition to working on merger and non-merger investigations in health care and other industries, she served as the staff economist in policy evaluation studies related to antitrust issues in physician group practices and health insurance markets. She was the Deputy Director of Research and Methodology at the Maryland Health Services Cost Review Commission, an independent state commission charged with regulating the rates of acute care, private psychiatric and specialty hospitals in Maryland. She was responsible for directing and coordinating all research and methodology activities of the Commission, including policy evaluation and data collection.

She is a member of the American Economic Association, International Health Economics Association, American Society of Health Economists and Academy Health.

## **Beyza Ural**

Beyza Ural joined the Department in July 2007. She received her doctorate degree from Syracuse University where she combined her research interests in development economics, international economics and econometrics. Her current research focuses on the effects of trade liberalization in developing countries on household welfare, poverty and income distribution. She has published her

research in scholarly journals such as Applied Economics and Indian Policy Forum. Beyza holds a B.A. degree in statistics from Middle East Technical University in Turkey and a master's degree in economics from Syracuse University.

## **ADMINISTRATIVE STAFF**

The past year has seen some major changes to our complement of administrative support staff. With *Brenda Carrier* taking the newly created position of Research Admin Assistant and *Theresa Everest* moving on to lend her skills to the IUSPS office, APO *Louise Whyte* was busy recruiting to fill the 2 resulting vacancies. In November, 2006 the department welcomed *Amie Cowie* to the general office. Amie's enthusiasm and warm smile are contagious. She is a quick study and dedicated to her job. In May, 2007 the department landed another stellar employee in *Connie Nikoo*. Connie is also quickly learning the ropes and brings with her a wealth of experience from Grant MacEwan. Both ladies are a welcome addition to the general office.

In August, 2007 we will lose another valuable asset to the administrative complement when *Dawn Bissett* leaves us to pursue other career options. *Dawn* has served as administrative assistant to the Institute for Public Economics for the past 5 years. We wish *Dawn* success in all her future endeavors.

*Charlene Hill* continues as Assistant to the Chair and, as always, all staff benefit from her insight, wisdom and superhuman memory. *Audrey Jackson* remains our fearless Graduate and Honors Administrator, ensuring smooth operation of the department's growing graduate and honors program. All continue in their daily duties under the leadership of *Louise Whyte* who ensures the department operates efficiently. The administrative staff work as a team and the respect and camaraderie they share with each other and with faculty is evident.

## **STUDENTS IN THE WORLD**

### **Meaghan Alton**

I grew up in Kelowna, BC, and attended T.R.U after graduating from Kelowna Secondary School. I obtained a business degree with a major in economics. In 2004, I was accepted into the MA program in economics at the University of Alberta. In the final year of the two-year program, I obtained a partially funded position, based on academic achievement. In the summer of 2005, I worked as a

research assistant for Al O'Brien, the chair of the Expert Panel on Equalization and Territorial Formula Financing, and Dr. Mike Percy, member of the panel focusing on territorial formula financing. I conducted research and case studies to assist the panel in its recommendations to improve Canada's equalization program.

In my final year of study, I worked as a research assistant for Dr. Paul Boothe, with research focused in the areas of public finance and fiscal federalism. I completed my MA thesis paper on the links between fiscal decentralization and economic growth in federations. After completing my MA course work, I began to work for the Alberta provincial government, in the finance department. I work primarily in the areas of revenue and federal provincial relations within the economics group.

## **Rick Baxter**

As a result of the encouragement of Prof. Max Stewart and the promise of income from a Graduate Teaching Assistantship, in late September, 1967 I landed at the U of A Dept. of Economics as a grad student. Through Max's teaching I learned to love economics as an undergraduate student at Waterloo Lutheran University. In the year prior to coming to the U of A, while trying to determine what to do for the rest of my life, I worked in private industry as a credit analyst, roamed around Europe with a back pack, and even spent 5 months as a garbage man in the Toronto suburb of Etobicoke. My wife and I were married just before leaving Ontario for Alberta and, shortly after our arrival she began working for the student union office in the Student Union Building.

In those days, graduate students spent most of their time outside the classroom in their offices in the grad house, located in the Garneau district of Edmonton. I remember my office was in the former kitchen of the Economics Grad House, while Ray Protti's was in the dining room, with Nobuo in the living room and Jim Love in a former bedroom.

In September, 1968, we went our separate ways. I went to the Department of Labour in Ottawa as a junior economist. In my 3 years there I worked on the wages and working conditions survey. That job was followed by a move to become Manager of the Labour Force Survey at Statistics Canada, where I stayed for the next 30 or so years. At Statistics Canada, I worked mainly as a project/program manager (in a number of subject areas in addition to the labour force). These duties included (as manager of first statistical program development and then of information systems development) employment and payroll surveys and justice statistics and information. Following a 3 year assignment to the Dept of Health

where I was manager of the project to automate Indian health benefits, in 1993 I returned to Statscan as Collection Manager for the 1996 census of population and housing. Towards the end of 1996, I travelled to the Australia Bureau of Statistics in Canberra to conduct a feasibility study on adapting Canadian census data collection procedures in Australia.

In March, 1997, as part of a project sponsored by the Canadian International Development Agency (CIDA), I moved to Asmara, Eritrea in North East Africa as the census technical advisor to the National Statistics Office. After 1.5 years in Eritrea, a border dispute erupted with Ethiopia and we were evacuated by the British Air Marines back to Canada via Saudi Arabia and England. My wife and I did return to Eritrea once the situation had improved, only to be evacuated again, this time via Sana'a, Yemen. We have not returned and the situation remains unstable with the census never getting off the ground.

After a short term as Manager of Internal Audit and Evaluation at Statistics Canada, I retired to private industry as production manager of a small manufacturing company that made parts for the high-tech industry. When the high-tech bubble burst, the company closed its doors.

I then took on a number of census related consulting positions working again with Statistics Canada on the 2001 and 2006 Canadian census and with the United Nations Statistical Division. The UN consultancies included the conduct of a census feasibility study in the Afghanistan national statistics office in Kabul and training census managers from Western Arab countries in project team management and operational planning in Sana'a, Yemen.

In January of 2006, I accepted a three year posting as Census Technical Advisor with the Secretariat of the Pacific Community (SPC) here in Noumea, New Caledonia in the South Pacific. In this job, I provide technical assistance to 22 member island countries and territories in the south Pacific community on how to improve the data quality of their censuses. Training in project team management and operational planning is also part of the role.

We often nostalgically look back to that year of hard work and study at the U of A in Edmonton. A lesson learned was that any task can be accomplished if you put your mind to it. We still keep in touch with the close friends we made there, like Jim Love and Paul Precht. They helped us to feel at home on those freezing cold winter nights on the Prairies.

## **Ron Cheung**

I graduated from the U of A with my B.Sc. in 1998, having completed the honours program in mathematics/economics. I then went to the University of British Columbia and got my M.A. in economics in 1999. I guess the drizzly winter must have grown on me because I stayed at UBC for another six years for my Ph.D. After that I was offered a tenure-track position at Florida State University in Tallahassee, the state capital. I'm just wrapping up my second year as assistant professor here at FSU, where my areas of interest are urban economics and public finance.

The foundation for my career in academics was definitely laid at the U of A. I found the faculty supportive and interested in what they study, and this is reflected in the quality of the teaching. I also want to highlight the benefit of the math/econ program. The math training I got prepared me greatly for the transition between undergraduate and graduate school. These things aside, however, three things about my time at the U of A stand out in my mind: Stuart Landon's public economics course, Doug West's urban economics course and the R.A. work on equalization that I did for Paul Boothe the summer before I left Edmonton. These experiences opened up a side of economics I wasn't really aware of. To be honest, my impression of economics when I first started consisted of stocks and bonds and monetary policy. The array of field courses available at the U of A exposed me to many other areas of economic research. In the courses I discovered that I was interested in public economics, and particularly in the interaction that exists between the public and the private sector. This is a theme that still guides much of my current research.

My thesis looked at the increasing role that homeowners' associations (like those in planned developments and gated communities) are playing in local settings. I argued that many of these associations have been given powers that are similar to those of a municipal government, and the services that they provide are increasingly blurring the line between what's private and what's public. I examined increasing homeowners' association growth in California cities and found that municipal spending decreased substantially in response.

In my current research I've tried to branch out into other areas of urban economics. With some colleagues at FSU, I have been studying the effect of municipal land-use regulation (zoning laws, permit fees, etc.) on house prices. In an overheated market like Florida's, it's important to understand what role government regulation plays in expanding or limiting the availability of affordable housing. I think there might be some applicability to Alberta as well!



Apart from research, I teach microeconomics and public finance to students who giggle at my Canadian accent. My current hobbies include drinking a lot of iced tea, complaining about the lack of snow and looking for the alligator that's living in the lake out back.

### **Alumni Please Drop Us a Line...**

We thank Meaghan, Rick and Ron 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: [bcarrier@ualberta.ca](mailto:bcarrier@ualberta.ca)

## **RESEARCH ACTIVITIES**

**FACULTY PUBLICATIONS** (Selected from staff annual reports for academic year 2005-2006)

Boothe, P.M. "The Federal Discussion Paper: Road Map to a First Ministers' Conference", *Policy Options*, forthcoming.

Boothe, P.M. "Turning a New Leaf: The Federal Strategy for Fiscal Arrangements Reform." C. Beach and T. Wilson (editors) *The 2006 Federal Budget*, John Deutsch Institute, Kingston, forthcoming.

Dahlby, B.G. "Learning from the Past and Preparing for the Future", in *Seizing Today and Tomorrow: An Investment Strategy for Alberta's Future*, edited by Roger Gibbins and Robert Roach, Canada West Foundation, Calgary, Alberta, 2006, pp.83-93.

Dahlby, B.G. "Commentary by Bev Dahlby on the Mintz-Richardson Proposal for Integrating Corporate and Personal Income Taxes", *Canadian Tax Journal*, Vol. 54 No. 2 (2006), 43-46.

Eckert, A. and D.S. West, "Exit and Upgrading in Response to Entry: The Case of Gasoline Retailing", *International Journal of the Economics of Business*, forthcoming.

van Egteren, H., Smith, R.T., and Eckert, A. "Environmental Liability and Harmonization in the Presence of Transboundary Effects and Hidden Assets," *European Journal of Law and Economics*, forthcoming.

Nan Luo, Boon-Kheng Seng, Julian Thumboo, David Feeny, and Shu-Chuen Li "A Study of the Construct Validity of the Health Utilities Index Mark 3 (HUI3) in Patients with Schizophrenia", *Quality of Life Research*, Vol 15, No. 5, June 2006, 889-898.

Helen McCarter, William Furlong, Anthony C. Whitton, David Feeny, Sonja DePauw, Andrew R. Willan, and Ronald D. Barr, "Health Status Measurements at Diagnosis as Predictors of Survival among Adults with Brain Tumors", *Journal of Clinical Oncology*, Vol. 24, No. 22, August 1, 2006, 3636-3643.

Sheri L. Maddigan, David H. Feeny, Sumit R. Majumdar, Karen B. Farris, and Jeffrey A. Johnson, "Understanding the Determinants of Health in Type-2 Diabetes," *American Journal of Public Health*, July 27, 2006, 7 pp.

Galvani, V. "Underlying Assets for Which Options Complete the Market", *Finance Research Letters*, forthcoming.

Landeo, C., Nikitin, M. and Baker, S. "Deterrence, Lawsuits and Litigation Outcomes under Court Errors", *Journal of Law, Economics and Organization*, forthcoming.

Antinolfi, G., Landeo, C. and Nikitin, M. "Dollarization and the Inflation Threshold," *Canadian Journal of Economics*, forthcoming.

Landon, S.K., McMillan, M.L., Muralidharan, V. and Parsons, M., "Does Health Care Spending Crowd Out Other Provincial Government Expenditures?" *Canadian Public Policy*, June 2006, 32:2, 121-141.

de Palma, A. and R. Lindsey, "Modelling and Evaluation of Road Pricing in Paris", *Transport Policy*, 13(2), March 2006, 115-126.

de Palma, A., Lindsey, R., and Niskanen, E. "Policy Insights from the Urban Road Pricing Case Studies", *Transport Policy*, 13(2), March 2006, 149-161.

Lindsey, R. "Do Economists Reach a Conclusion on Highway Pricing?: The Intellectual History of an Idea", *Econ Journal Watch* 3(2), May 2006, 292-379.

McMillan, M.L. “Investing for Alberta’s Future: Improving the Use of Non-Renewable Resource Revenue in a Resource Rich Province”, Chapter 6 in *Seizing Today and Tomorrow: An Investment Strategy for Alberta’s Future*, Roger Gibbins and Robert Roach (eds.), (Calgary: Canada West Foundation, 2006), 73-82.

McMillan, M.L. “Local Government Organization and Finance: Canada,” Chapter 2 in *Local Governance in Industrialized Countries*, Anwar Shah (ed.), Washington, D.C.: The World Bank, 2006, 41-81.

McMillan, M.L. “Municipal Relations with the Federal and Provincial Governments: A Fiscal Perspective”, Chapter 3 in *Canada: The State of the Federation 2004; Municipal-Federal-Provincial Relations in Canada*, Robert Young and Christian Leuprecht (eds.), Montreal and Kingston: McGill-Queen’s University Press, 2004, 45-82.

Nikitin, M. and S.H. Russell, “Monetary Policy Arithmetic: Reconciling Theory with Evidence”, *Canadian Journal of Economics*, Vol. 39, pp. 348-374.

Plourde, A. “G. Campbell Watkins, 1939-2005 – An Appreciation”, *The Energy Journal* 27(1): iii-vi.

Herasymiuk, D. and D.L. Ryan, “The Impact of Energy Efficient Equipment on Household Energy Use in Canada: Programmable Thermostats”, in M. Kah, C. Dahl, D. El Mallakh, and W. Iledare (eds.) *Fueling the Future: Prices, Productivity, Policies, and Prophecies*, Proceedings of the 25th North American Conference of the International Association for Energy Economics / United States Association for Energy Economics, 2005 (Denver: IAEE/USAEE).

Smith, C.E. and S.K. Landon, “The Exchange Rate and the Real Wage: How They Affect Investment in Canada.” Report to be published by the Conference Board of Canada.

Smith, R.T. and H. van Egteren, “Harmonization of Environmental Regulations when Firms are Judgment Proof”, *European Journal of Law and Economics*, 17 (2), 139-164, March 2004.

Szostak, R. *Unifying Ethics*. University Press of America, Sept., 2005.

Szostak, R. "Advancing Interdisciplinarity: Reflections on the 2005 AIS Conference," *Newsletter of the Association for Integrative Studies*, November, 2005.

Szostak, R. and K.H. Norrie, "Institutional Change in the Newfoundland Fishery," *Newfoundland Studies*, forthcoming.

Xu, Y. "Can China Afford a Bit of Inflation?" in *Globalization and Regionalism of the Northeast Asian Economies*, pages 281-307, edited by Doowon Lee, Shunfeng Song and Hyung-Do Ahn. Yonsei University Press, Seoul, Korea, 2005.

Xu, Y. "Financing of Private Enterprises and Deepening Financial Reform," forthcoming chapter in a book edited by Shuanglin Lin, to be published by Routledge.

### **PROFESSIONAL AND PUBLIC ACTIVITIES** (Selected from staff annual reports for academic year 2005-2006)

Boothe, P.M.: Chair of the Advisory Committee, Economic Policy Research Institute, University of Western Ontario; Member of the Advisory Committee, John Deutsch Institute, Queen's University

Dahlby, B.G.: Member of the Editorial Board of the *Canadian Tax Journal*; Member of the Editorial Advisory Board, Fraser Institute; Member of the Executive Council, Canadian Economics Association; Member of the National Statistics Council; Member of the CD Howe Tax Competitiveness Council.

Dastoor, N.K.: Fellow, *Journal of Econometrics*, Announced January 2006.

Feeny, D: Associate Editor, *Quality of Life Research*; Member Editorial Boards for *Medical Decision Making*, *International Journal of Technology Assessment in Health Care*, *Pharmacoeconomics*.

Landeo, C.: Visiting Associate Professor of Economics, Carnegie Mellon University, H. John Heinz III School of Public Policy and Management, May 2006-June 2007.

Lindsey, R.: Member, Editorial Board, *Papers in Regional Science*; Editorial Advisory Board, *Transportation Research Part B*; Associate Editor, *Transportmetrica*.

McMillan, M.L.: Member, Board of Directors, Van Horne Institute, Calgary; Alberta Capital Region Alliance (ACRA) - University of Alberta Partnership Council, Member; Member of the Advisory Council of the Canada West Foundation's Western Cities Urban Finance Project since June 2000.

Plourde, A.: Member, Board of Editors, *The Energy Journal*; Member, Editorial Board, *Energy Studies Review*; Board Member, Institute of Health Economics; President, CAEE; Chair, Adjudication Committee, Major Collaborative Research Initiatives, Social Science and Humanities Research Council.

Smith, C.E.: Acting Director, *Institute for United States Policy Studies*. Jan 2006 – July 2007.

Smith, R.T.: Editorial Advisor, *Staff Papers*, International Monetary Fund.

Szostak, R.: Vice President, Association for Integrative Studies; Appointed Member, Expert Panel, Inter-provincial Research Project, "Social and Economic Impacts of Gaming"; Appointed to SSHRC's inter-disciplinary adjudication panel for 2005-6.

### **FACULTY GRANTS** (Selected from staff annual reports for academics year 2005-2006)

Boothe, P.M.: Alberta Transportation and Infrastructure, 2006; Partnerships BC, 2006; Finance Canada, 2006.

Eckert, A. and D.S. West: SSHRC, 2006-2009.

Eckert, H.: SSHRC, 2003-2006.

Dennis Fryback (PI), Ron D. Hays, Robert Kaplan, Theodore Ganiats, David Feeny, and Paul Kind, "Norms and Performance Comparisons for Five Health Indexes," 1P01-AG020670-01A2, National Institute of Aging, 2004-08.

Mark S. Kaplan, Bentson H. McFarland, David Feeny, Heather Orpana, and Nancy Ross, "Longitudinal Analysis of Health-Related Quality of Life in an Aging Population," R21 AG027129-01, National Institute of Aging, 2006-08.

Fung, P: HFASSR Research Operating Grant, 2005-06; 4A Grant/VPR – Killam Research Fund, 2006-07.

Landeo, C: Russell Sage Foundation, Roundtable on Behavioral Economics, New York, U.S.A., 2005-06.

Landon, S.K.: SSHRC: INE-Conference Board of Canada – Canada Project, 2005-2006.

Lindsey, R.: Conference Grant to support First International Conference on Funding Transportation Infrastructure, Banff, Alberta, August 2-3, 2006.

McMillan, M.L.: AASUA – University of Alberta Human Resources, 2005-06.

Ryan, D.L.: Government of Canada, Department of Natural Resources, Office of Energy Efficiency, 2006-07; EPCOR Distribution Inc., 2004-05.

Smith, C.E.: SSHRC: Initiative on the New Economy/The Canada Project, 2005-06.

Szostak, R.: SSHRC, 2005-08.

van Egteren, H.: VP Research, 2006-07.

Young, C.D. (with J. Richards and J. Doucet): SSHRC, 2005-07

## **INSTITUTE FOR PUBLIC ECONOMICS (IPE)**

The year 2006 was an extremely productive one for the Institute for Public Economics (IPE). Efforts in support of its mission were focused largely on public education and fostering informed, non-partisan debate on a range of public policy issues. As always, the Department of Economics and IPE are grateful to Dawn Bissett for her dedicated work as IPE administrator. Here is a summary of our work for 2006.

**Conferences** -- The IPE partnered with other organizations to hold two major conferences in 2006. These are described in the Department of Economics Newsletter 2006.

**Public Lectures** -- The IPE organized a number of public lectures over the course of the year with several partners. The first was the 12<sup>th</sup> Eric J. Hanson Memorial Lecture held in March. Professor Geraint Johnes of Lancaster University spoke on “Education and Economic Growth.”

A series of four public policy workshops were held in cooperation with Alberta Finance. The first, held in April, featured Dr. Tiff Macklem, Deputy Governor of the Bank of Canada, who spoke on China and its impact on international financial relations. In June, A.D. O’Brien of the IPE spoke on equalization reform. In September, V. Peter Harder, Deputy Minister of Foreign Affairs, spoke on the G8 and multilateralism. In October, Dr. Robert Lacroix spoke on the manifesto: A Clear-Eyed Vision of Quebec. Finally, in November, Jonathan Fried, Canada’s Executive Director at the IMF, spoke on reform of International Financial Institutions.

A series of three public policy forums was held in cooperation with the *Edmonton Journal*. In September, Andre Plourde (IPE), Amy Taylor (Pembina Institute) and Greg Stringham (CAPP) spoke on “Does Alberta Need a New Royalty Regime?” In October, Andre Plourde (IPE), Norman Henderson (PARC) and Rick Hyndman (CAPP) spoke on “Alberta and Climate Change: Leading or Lagging Behind?” In November, Paul Boothe (IPE), Ron Kneebone (University of Calgary) and Todd Hirsch (CWF) spoke on “Managing the Boom”. All forums were extremely well attended by the public and were followed by full page articles in the *Edmonton Journal*.

**Publications** -- In conjunction with CIRANO, the IPE published *A Fine Canadian Compromise: Perspectives on the Report of the Expert Panel on Equalization and Territorial Formula Financing*. This volume comprised the proceedings of the one-day conference on the Expert Panel’s Report. The publication was funded by Finance Canada.

**Research Projects**-- In 2006, the IPE’s Health Research Group under the direction of IPE Fellow, Professor Barry Finegan, completed its three-year project. A report entitled “Costs and Utilization of Health Care Services at End of Life: Alberta 1999-2002” was submitted to Alberta Health and Wellness. The project, which also included support for the Expert Advisory Panel to Review Publicly Funded Health Services, was funded by Alberta Health and Wellness in the amount of \$350,000 over three years.

## THE INSTITUTE FOR UNITED STATES POLICY STUDIES (IUSPS)

The *Institute for United States Policy Studies (IUSPS)* was established at the University of Alberta in November 2005 to encourage analysis and discussion of the policies of the United States. An understanding of policies implemented in the US is vital for policy development in Canada, given the strong economic and other connections between the two countries. As well, an understanding of the US approaches to policy may provide a useful comparison for Canadian policy debates. The *IUSPS* encourages cross-disciplinary research and is a joint initiative of the Faculty of Arts, the Faculty of Law, the Faculty of Agriculture, Forestry and Home Economics and the School of Business.

The *Institute's* new Director is Faculty of Law Professor and former Deputy Prime Minister Anne McLellan. Many Economics Department faculty members undertake research on the US, and are associated with the *IUSPS* as *Institute* Fellows. These include Professors Mel McMillan, Claudia Landeo, André Plourde, Terry Veeman, and the *Institute's* former Acting Director, Professor Constance Smith. The Administrative Assistant for the *IUSPS* is former Economics Department administrative secretary Theresa Everest.

Last year the *IUSPS* hosted visits by the US Ambassador to Canada, David Wilkins, and former Canadian Ambassador to the US, Frank McKenna. Other visitors included Stanford University Professor and former US Undersecretary of the Treasury for International Affairs John Taylor; Professor Charles Kolstad from the University of California at Santa Barbara; and Professor Jonathan Rodden from Yale University. The Economics Department provided the venue for the *IUSPS* one-day campus workshop "Research on US Policy" on November 21, 2006. The *IUSPS* was also a sponsor of two conferences: "The First International Conference on Funding Transportation Infrastructure" in Banff, August 2-3, and "Energy Cooperation in the Western Hemisphere," in Edmonton, November 28.

The *IUSPS* would like to make students aware of a new scholarship for study in the area of Canada-United States relations: the *John Garrett Graduate Scholarship in United States Studies*. The scholarship will be awarded in odd numbered years to a student registered full time in a graduate degree program in the Department of Economics, and in even numbered years to a graduate student registered full time in the Department of Political Science. The inaugural scholarship will be offered in fall 2007.



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

CBEEDAC is one of three Data and Analysis Centres located across Canada, all supported largely by funding from Natural Resources Canada. Each centre focuses on different sectors of the economy, with CIEEDAC at Simon Fraser University in Vancouver concentrating on the industrial sector, while CDAT at the University of Laval in Quebec focuses on the transportation sector. At CBEEDAC, located in the Department of Economics here at the University of Alberta since 2002, attention is directed to the buildings sector, which includes the residential, commercial and institutional sub-sectors. The main objective of CBEEDAC is to preserve and improve the accessibility and compatibility of existing databases on energy use in these sectors. Within this broad objective, CBEEDAC is also charged with conducting multi-disciplinary analysis of commercial and residential sector energy use, technologies, and processes for the purpose of improving understanding of changes in energy use as well as promoting the development of multi-disciplined Canadian expertise (Masters and PhD levels) in this area of research. To this end, each year faculty associated with CBEEDAC undertake a number of research projects in conjunction with graduate and in some cases undergraduate students, most of whom receive financial assistance from CBEEDAC.

Nine major projects were undertaken by CBEEDAC in the past year. These projects, along with the main faculty and students associated with each, include sales and stocks of air conditioners in Canada (Matthew Hansen); replacement patterns for major appliances in Canada (Denise Young); analysis of energy use for residential water heating for dishwashers and clothes washers (Ronggui Liu); the possibility of energy consumption misclassification by sector (Natalia Ivanova and David Ryan); participation rates and energy cost and consumption savings in the EnerGuide for Houses retrofit incentive program (Evgeny Prasol and David Ryan); energy consumption and energy intensity in multi-unit residential buildings (MURBs) in Canada (Ronggui Liu); estimation of site-specific electricity consumption in the absence of meter readings (Denise Young and David Ryan); utilization of residential energy-saving retrofit programs in Canada (Samuel Gamtessa and David Ryan); and ownership and use of programmable thermostats in Canada in 2003 (David Ryan and Jevan Cherniwchan).

The analysis in many of these projects relies on data that are made available for use by CBEEDAC through Natural Resources Canada. As well as being used directly in these projects, these data are also available for wider use within CBEEDAC, subject of course to the various confidentiality restrictions under which they are

supplied. In this vein, Samuel Gamtessa presented a paper (joint with David Ryan) entitled “Utilization of Residential Energy-Saving Retrofit Programs in Canada: Who, What, and Why” at the 9<sup>th</sup> European Conference of the International Association for Energy Economics, held in Florence, Italy, in June. In addition, Ronggui Liu, extending initial research undertaken for CBEEDAC, has completed his MA non-thesis (Econ 900) project on using conditional demand analysis to estimate residential end-use electricity consumption in Canada.

In ongoing research that began during the summer months, Mark Maxson worked on analysis of the 2003 Survey of Household Energy Use (SHEU) dataset with a view to incorporating additional information (such as energy prices as well as demographic and socio-economic information) in that dataset, as well as determining whether there are identifiable “energy-conscious” households, and whether this attribute plays an important role in household energy-savings consumption decisions, such as the installation and effective use of programmable thermostats. Junaid bin Jahangir also continued with his dissertation research on the effects on consumers of electricity market restructuring in Alberta. A coauthored paper by Junaid and David Ryan on this topic was presented at the 30<sup>th</sup> conference of the International Association for Energy Economics held in Wellington, New Zealand in February.

This year, CBEEDAC also co-sponsored the CBEEDAC/CABREE applied economics workshop. This workshop ran roughly fortnightly throughout the fall and winter terms and provided opportunities for research presentations by graduate students and faculty from economics, business, and elsewhere, as well as guest speakers from other universities, government, and the private sector. The workshops were designed more as a discussion than a formal seminar (although some formal seminars were also interspersed in the series), with speakers limited to about 30 minutes for their presentation and an equivalent amount of time for discussion. Typically, two sets of discussions were held in each workshop. It is planned to continue this workshop series in the current year, probably again on Friday afternoons, and speakers and other participants are most welcome.

This year also saw the departure of CBEEDAC’s inaugural Executive Director, Donna White, to pursue other interests. In addition, Jennifer Easaw who worked part-time on databases for CBEEDAC relocated to Calgary. As a result of these departures and the current vacancy in the Executive Director position, various CBEEDAC activities, including the web site, have not been fully maintained in recent months. Nevertheless, CBEEDAC continues to produce tri-annual newsletters that document the activities of the Centre and contain articles on current topics in energy economics. Once the CBEEDAC website is restored to full

functionality, copies of all previous newsletters, as well as various CBEEDAC reports, can be accessed from there ([www.ualberta.ca/~cbeedac](http://www.ualberta.ca/~cbeedac)). 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 Director, David Ryan, can be contacted by mail through the Department of Economics, or directly by phone at (780) 492-5942 or by email to: [cbeedac@ualberta.ca](mailto:cbeedac@ualberta.ca). Enquiries can also be directed to any of the associate directors, Denise Young, André Plourde, or Joseph Doucet (School of Business).

## **HIRING**

As mentioned earlier in this newsletter, the Department is pleased to announce the appointment of Brad Humphreys, Joseph Marchand, Jane Ruseski and Beyza Ural.

## **SCHOLARSHIPS & AWARDS**

Congratulations to the Department of Economics 2007 Scholarship and Prizewinners:

- M. Maxson – A.D. O’Brien Graduate Scholarship in Public Finance. Value: \$5,900
- A. Cliff – Dr. Milton F. Bauer Memorial Scholarship. Value: \$1750
- F. Lazarevic – The Economics Society of Northern Alberta Scholarship. Value: \$1500
- A. Cliff – KD Verville Scholarship for Academic Excellence in Honors Economics. Value: \$500
- G. Hamilton – Archibald Forster McGoun Memorial Book Prize in Economics. Value: \$400
- P. Chiswell – Dr. Manmohan Singh Prize in Economics. Value: \$500
- A. Behnamian – Research Prize. Value: \$250
- Lu. Wang – Core Prize – Value: \$250
- A. Gainer – Duncan Alexander MacGibbon Sterling Gilt Medal in Economics.

Value: \$100

- J. Negropones – 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.

<b>Graduate Convocations July 1-97 to Jul 1-07</b>					
	<b>Fall</b>		<b>Spring</b>		
<b>Year</b>	<b>MA</b>	<b>PhD</b>	<b>MA</b>	<b>PhD</b>	<b>Total</b>
2006-07	12	0	6	0	18
2005-06	5	0	7	0	12
2004-05	11	0	5	1	17
2003-04	5	0	9	0	14
2002-03	8	1	2	0	11
2001-02	5	0	5	0	10
2000-01	3	0	5	1	9
1999-00	4	1	1	0	6
1998-99	5	2	3	0	10
1997-98	4	1	1	0	6
<b>Undergraduate Convocations July 1-97 to Jul 1-07</b>					
<b>Year</b>	<b>Fall</b>	<b>Spring</b>	<b>Total</b>		
2006-07	55	117	172		
2005-06	34	125	159		
2004-05	26	133	159		
2003-04	32	105	137		
2002-03	23	108	131		
2001-02	36	85	121		
2000-01	21	104	125		
1999-00	14	50	64		
1998-99	3	34	37		
1997-98	14	39	53		

<b>Ten-Year History of Majors and Honors</b>
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<b>Year</b>	<b># of Majors</b>	<b># of Honors</b>	<b># of Registrations</b>
2006-07	651	23	7575
2005-06	600	30	7349
2004-05	613	28	7285
2003-04	532	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

## **CONVOCATIONS**

### **PhD degrees conferred: Fall 2007**

ATKINSON, Benjamin: *Three Studies of Retail Gasoline Pricing Dynamics*

### **MA degrees conferred: Spring 2007**

AGUILAR, S. Carolina: *Is OPEC a Cartel? Testing OPEC's Oil Production Patterns Through the Implementation of Two Economic Models.*

ALTON, Meaghan: *Fiscal Decentralization and Economic Growth: A Cross Country Analysis.*

BEHNAMIAN, Aslan: *Diversification Benefits in the Canadian Market for Provincial Bonds.*

HAN, Bing: *Does China Divert FDI from Latin America and Other Asian Countries?*

HSU, Hsin-fang Jessica: *The Impact of Health on Economic Growth.*

LEI, Lei: *Exchange Rate Variation and Commodity Variation: Evidence from 52 Countries and 39 Commodities.*

LU, Man: *An Analysis of Government-Owned Banks, Bank Efficiency and Industry Growth.*

RIZWAN, Nadeem: *A gravity model estimation of US trade.*

SCHAUFELE, Brandon: *Preferences for personal income tax progressivity and aversion to income inequality: A survey-based examination.*

WANG, Xinlei: *An Analysis of Import Demand Function for OECD Countries.*

YAN, Huaying: *The Shift of the Phillips Curve Post-1994 and Inflation Dynamics in the United States.*

ZHANG, Baokun: *An Empirical Study of FDI in Select Asian Economies.*

### **Fall 2007**

ANSAH, Aba: *Effect of Financial Development on Economic Growth.*

BAKINSON, Tolulope: *Diversification Benefits in African Exchanges.*

BIBANGAMBA, Lillian: *The Impact of Economic Freedom on Per Capita Income in Developing Countries.*

DAIRO, Janet: *Demand for Screening of Sex-Specific Cancers in Canada.*

FIKIRDANIS, Serkan: *Estimating the Economic Value of Increased Transmission Capability between Alberta and the U Pacific Northwest.*

JIA, TING: *Foreign Direct Investment and International Trade: Complements or Substitutes?*

JIANG, Wenyong: *The Foreign Exchange Exposure of Canadian Firms.*

LIU, Jing Jing: *Institutional Factors and the Allocation of Capital*

TU, KeJun: *Housing Price Fluctuations in Canada.*

## 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, 6<sup>th</sup> 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>.

For further information please contact:  
Louise Whyte Phone 780-492-4417  
Email [louise.whyte@ualberta.ca](mailto:louise.whyte@ualberta.ca)

## 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 posts news items that are current as they happen throughout the year. We also post course outlines for all courses to the web. 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!