



DEPARTMENT OF  
**ECONOMICS**

UNIVERSITY OF ALBERTA

**Newsletter 2009**



FACULTY OF ARTS  
UNIVERSITY OF ALBERTA

## Chair's Introductory Remarks

On July 1, 2009, I assumed the position of Chair of the Economics Department. On behalf of the Economics Department, I would like to extend sincerest thanks to André Plourde for his five years of dedicated service to the Department. The Department experienced significant renewal under André's leadership. A number of academic initiatives and Department renovations were undertaken during his term that have left the Department well positioned to face the challenges in the next few years.

As I'm sure you are aware, the University is facing serious budget problems over the next two to three years. In spite of these problems, I am committed to maintaining the quality of our programs. It is also my hope that we can increase graduate student enrollment, continue the revitalization of the Institute for Public Economics, reconnect with our alumni, donors, and friends, expand our research capability and enhance recognition of our research output. I look forward to working with the Department's faculty and staff and all of our external communities to ensure that the Department continues to meet its commitment to excellence in teaching and research.

*Douglas West, Chair*

## A few words from the former Chair

I am pleased to report that the incredible contributions of two members of the Economics family were recognized by the University this past year. **Charlene Hill** was the recipient of the Faculty of Arts Support Staff Award. As many of you will know first hand, Charlene has made and continues to make outstanding contributions to the administration of the Department – and so it was particularly fitting for her efforts to be recognized by the broader university community. The superb teaching performance of PhD student **Lorne Priemaza** was also recognized this year when he received a Graduate Student Teaching Award at a University-sponsored ceremony. Congratulations to both Charlene and Lorne.

The Department's faculty recruitment efforts were successful again this year. Indeed, **Eric Stephens**, who did his PhD work at Queen's University, recently joined the Department thus increasing our expertise in public economics. Welcome to the UofA, Eric!

The last year also saw a number of faculty departures and retirements. **Loretta Fung** and **Haibin Wu** left the Department at the end of the 2008-09 year. **Loretta** has moved to the Economics Department at National Tsing Hua University in Taiwan. Three faculty members also retired. **Noxy Dastoor** and **David Feeny** decided to retire and pursue other interests. Both had distinguished careers at the University of Alberta, and I would like to take this opportunity to thank them for their contributions to the Department. **Sam Wilson** also retired this year, but we will continue to benefit from his expertise since he has agreed to stay on for the next three years on a post-retirement appointment. Thank you, Sam, for all your contributions over the years – and special thanks for your work as Associate Chair (Graduate Programs) these last two years.



Sadly, the Department lost one of its most dedicated members earlier this year. **Brad Reid** died after a long and courageous fight with cancer. Brad was an engaged and engaging researcher, teacher, and administrator. We are all poorer as a result of his loss, but much richer for having had the privilege to have known and worked with him.

A number of faculty members were successful again this year in obtaining internal and external grants to support their research efforts. Highlights include **Ujjayant Chakravorty** and **Brad Humphreys** receiving standard research grants from the Social Sciences and Humanities Research Council of Canada. Natural Resources Canada's grant in support of the activities of the Canadian Building Energy End-use Data and Analysis Centre (CBEEDAC) was renewed for a seventh year, as a result of the efforts of **David Ryan** who was also instrumental in initiating a new series of exchanges between researchers in our Department and those at two European institutions. The first International Workshop on Empirical Methods in Energy Economics, held in Zurich in August 2008, was jointly sponsored by groups at ETH-Zurich, the University of Surrey, and the University of Alberta. A number of faculty members and graduate students from our Department travelled to Switzerland to present their work to European colleagues. This successful event was repeated this year when we hosted the second workshop in Jasper at the end of August 2009.

Over the years, the Economics Society of Northern Alberta has been a good friend to the Department of Economics, in particular through its sponsoring of an annual award to a top undergraduate student in the Department. This year, the Society established a second award, this time to support the research efforts of a Masters-level student in Economics. Thank you very much to the ESNA Board of Directors and to all members for their visionary investments in supporting the development of the next generation of economists.

Finally, after five years, this is my last contribution to our annual newsletter as Department Chair. It has been a privilege to work with such talented and dedicated people. Thank you everyone for making my years as Chair such a rewarding experience. With **Doug West** taking over as Chair, the Department is in great hands! Thanks again and all the best in your future endeavours.

**André Plourde**  
former Chair

## NEW FACES

### Eric Stephens

The Economics Department is pleased to welcome Eric Stephens as Assistant Professor. Eric is expected to receive his PhD. from Queen's University in November 2009. He holds an M.A from Queen's as well as Bachelor degrees in economics and mathematics from Lakehead University.

Eric's primary field of research is public economics. He is particularly interested in the analyses of redistribution and optimal taxation. Eric's current work is a theoretical investigation into optimal education spending policies and institutional structure. In his present research, he investigates such questions as:

- What is the best educational policy in a world where citizens have different opinions of social

justice?

- What are the impacts on taxes and income distributions of policies designed to equalize citizens' opportunities for adding to their human capital?
- Should governments face binding constitutional limits on the size of debt they can accumulate? (Eric looks at the incentives such a limit would provide to political agents.)
- How much diversity should there be in educational systems, given that students are uncertain about both their talents and what sort of careers they wish to pursue?

This year Eric is teaching the graduate course on Public Expenditure, as well as two sections of the undergraduate econometrics course ECON 399.

## TRIBUTE TO BRAD REID

Our friend and colleague, Brad Reid, a member of our department since 1981, died in January 2009 after a long and courageous battle with cancer. Brad obtained a B.Com from the University of Saskatchewan prior to completing a Masters degree in economics here in 1977. After obtaining a PhD in economics from the University of Toronto, Brad returned to the Department of Economics at the University of Alberta, where he remained throughout his academic career.

Brad mainly taught macroeconomics, as well as monetary theory, but in more recent years, taking advantage of his passion for, involvement in, and knowledge of sporting activities, he created and taught a popular course on the economics of professional sport. Brad was a superb teacher, but also a demanding one, as many students – especially those who thought that any course with the words “sports economics” in its title must be a soft option – discovered to their peril.

Brad's research focused predominately on macroeconomics and public economics, and he published in several edited volumes as well as in a wide variety of international journals, including *Journal of Macroeconomics*, *Journal of Monetary Economics*, *The Review of Economics and Statistics*, *Economic Inquiry*, *Canadian Journal of Economics*, and *Public Choice*. Brad was particularly interested in issues concerned with the size of government, the level of government spending, and the implications of alternative methods of financing such spending, including the extent to which different methods have differing effects on the economy.

In addition to his excellence in research and teaching, Brad gave much of his time to professional and administrative activities. In addition to being Chair of the Department from 1999 to 2004, and Associate Chair from 1993 to 1997, Brad also supervised many MA and PhD students, acted as a referee for a number of prestigious journals, was Associate Editor of *Canadian Public Policy* from 1986 to 1990, and was very active in the Institute for Public Economics (IPE), including a term as Director between 2003 and 2006. He also served for one year as President of the University's Faculty Club.

Brad's medical issues surfaced in early 2006, and he spent much of his remaining time on medical and, subsequently, disability leaves. Regrettably, this prevented many students from experiencing his booming lectures (there was no provision for dozing off in Brad's classes), his subtle sense of humour, but more importantly his passion for ensuring that students (and colleagues!) understood the forces and particularly the incentives that underlie economic decisions. Brad retained his good spirits and interest in public affairs through most of this period, and shared his insights on a

wide variety of topics at periodic off-campus lunches with some of his colleagues. As a macroeconomist who had spent many years teaching and writing about how and why Keynesian-type solutions were unlikely to work effectively, and who believed very strongly in the power of market forces, Brad was more than a little bemused by the rush to apparently forget all that had been learned in this field in the past 20 years with attempts by governments to spend their way out of the current recession. It is only fitting therefore that a conference on the topic “Boom and Bust Again: Policy Challenges for a Commodity-Based Economy”, to be held here in May 2010, is being organized by the Department, through the IPE, as a memorial to Brad and his many contributions. He and his many insights will be greatly missed.

## **ADMINISTRATIVE STAFF**

Each year the Faculty of Arts presents the Non-Academic Staff Award in recognition of outstanding administrative contributions and service. In 2008 our own Charlene Hill was given this award for her consummate professionalism, warm and caring personality and amazing attitude. The Department is thrilled that Charlene has been officially recognized for her many years of dedication to the University and department and are positive there is no one more deserving of this attention. Those who have had the pleasure to work with Charlene know she is humble (perhaps to a fault) and not one to boast of her accomplishments. So we will just have to do that for her. Way to go Charlene!!!

The Economics administrative team continues on with coach Louise Whyte (Assistant Chair Administration), Audrey Jackson (Graduate Program Administrator), Charlene Hill (Admin Assistant and Assistant to the Chair), Brenda Carrier (Research Admin Assistant), Debbie Choi (Undergraduate Program Coordinator, IPE Admin Assistant), Connie Nikoo (Admin Secretary) and Chelsi Mitchell (Admin Secretary) ensuring the operations of the department run smoothly.

## **STUDENTS IN THE WORLD**

The Department of Economics would like to extend its sincere appreciation to Twin Cities Power Canada, and our alumni Allan Cho, Chad Hudson, Victor Gallardo, and Chris Quilley for their generous contribution to the Department. These gifts will be used to support alumni-student interactions and mentoring. The Department is committed to enhancing communication with our alumni, and we are happy to have support for this initiative.

### **Mark Parsons**

I had the pleasure of completing my Master of Arts in Economics at the University of Alberta back in the summer of 2004. Prior to my MA, I had spent some time working with the Alberta Government, where I developed a particular interest in the role of government in promoting private research and development (R&D). My Econ 900 research paper, “R&D, Asymmetric Information and Financing Constraints”, studied the extent to which capital market imperfections lead to financing problems for Canadian firms engaged in R&D. I had the fortune of working with professors Stuart Landon (my supervisor) and Bev Dahlby on R&D-related policy issues.

Another highlight of the MA program was my term as a research assistant for Stuart Landon and

Mel McMillan, during which we examined whether provincial healthcare expenditures “crowded out” other provincial expenditures, as is typically portrayed in the media. This research, which built on earlier work by former MA student Vijay Muralidharan, earned the John Vanderkamp prize for best paper published in the Canadian Public Policy journal in 2006. I had the privilege of accepting the award in person with Vijay while attending the 2006 Canadian Economics Association Annual Conference in Halifax, Nova Scotia.

Immediately after completing my MA, I moved to Ottawa to work as an economist with the Federal Department of Finance. My first position was in the research and evaluation group within the Tax Policy Branch, where I had the opportunity to build on my research interests related to the effectiveness of R&D tax incentives. There I co-authored a Department of Finance Working Paper on the welfare impact of the Federal R&D tax credit. In another Finance Working Paper, I studied the effect of corporate taxes on business investment using the 2000 federal tax cuts as a quasi “natural experiment”.

My second position at Finance Canada was more macro in focus. Working in the Economic and Fiscal Policy Branch, I analyzed and carried out research on the performance of the U.S. and overseas economies. The position gave me exposure to macroeconomic analysis and allowed me to work hands on with various macro forecasting models. I contributed to the Budget and Economic Updates, met with economists from across the U.S., and learned first hand how economic forecasts feed into the Government’s fiscal projections.

Finance Canada was a great place for me to launch my post-MA career as an economist and I would recommend the department to all upcoming MA graduates. The department is at the center of nearly all major public policy issues and is responsible for delivering the federal government’s key policy document - the federal budget. It also gives you the opportunity to work with talented economists from across Canada in a number of areas, including international trade, economic forecasting and tax policy.

After four years at Finance, I decided to enter the world of economic consulting. Early last year I joined a small, but growing, economics practice at the world’s largest professional service firm – PricewaterhouseCoopers (PwC). I am currently a manager in Edmonton’s economics practice, where I carry out a range of economic and statistical studies for private and public sector clients. The position allows me to interact closely with other specialists within PwC’s advisory group from across Canada, including accountants, engineers, and financial analysts. The position has stretched me in new ways, challenging me to use my economics training and experience to offer fresh and innovative solutions for clients.

The UofA economics department has been foundational to my career. This training, combined with my experiences in both the public and private sector, has led to a growing number of opportunities.

## **J. Mahender Reddy**

I was a graduate student in the Department of Economics from 1966-1970. I was awarded a PhD in the fall convocation of 1970. I had an excellent doctoral advisory committee consisting of Balder Von Hohenballken, Adolf Buse and Tom Powrie.

I taught as a lecturer in the Faculty of Management at the University of Alberta for two years (1969-71) and moved to the U.S. and taught at Saint Peter's College, New Jersey as an Assistant Professor during 1971-72. In 1972, I moved to the Administrative Staff College of India (ASCI) in Hyderabad, a college for practicing managers from the corporate sector and government, in furthering India's economic progress with emphasis on management and governance. It was a challenging job as the focus in teaching was on applications of theories and techniques.

After a five year term at ASCI, I joined Osmania University as an Associate Professor of Economics. I later became Professor, Chairman of the Board of Studies and Head of the Department. I served the University for 25 years from 1977 to 2002. During this period I held several positions such as Coordinator of the UGC Special Assistance Program, Director of the Southern Regional Centre of the Indian Council of Social Science Research, Dean of the Faculty of Social Sciences and Member of the Standing Committee of the Academic Senate. I successfully guided 20 students to the completion of their M. Phil/Ph.D degrees.

Being coordinator of UGC Special Assistance Program gave me the opportunity to organize a series of workshops and seminars essentially to improve the quality of teaching and research in Economics. What type of economics to be taught? How do we update the curriculum and make it more application oriented? I organized five workshops in the five year period (1986-91) which were attended by the entire faculty of the Department of Economics, numbering about 40. I also organized five two-day seminars that were attended by scholars from across the country. The purpose of these seminars was to promote research work in the department. The resource persons included eminent economists such as the present Prime Minister Manmohan Singh (the then Deputy Chairman of the Planning Commission), Raja Chelliah, Yoginder Alagh, Ch. Hanumantha Rao, K.L. Krishna, Suresh Tendulkar, L.S. Venkaraman, U. Sankar, Balwanth Reddy, all top notch economists in India.

During 1987-89, I was a member of the Curriculum Development Centre appointed by the UGC, with headquarters in Bombay University. We studied the then existing curriculum of selected universities in India and developed an ideal curriculum for Bachelor's and Masters degrees in Economics at Indian Universities.

While serving Osmania University, I had the rare opportunity of twice winning the Shastri Indo-Canadian Institute Fellow, during 1985-1986 and 1990-1991, at Carleton and Ottawa Universities respectively. I was also selected by the Fulbright Foreign Scholarship Board for a Fulbright Grant sponsored by the United States Information Agency and administered by the Council for International Exchange of Scholars in Washington, D.C. during the academic year 1993-94 at Boston University. As a Fulbright Fellow, I had the opportunity to present seminars at Harvard, Morgan State, Alabama, Vanderbilt and Brandeis Universities.

I was honored with the Best Teacher Award by the Government of Andhra Pradesh in the year 2002.

I was selected first Chair of the Indian Ocean Rim Association for Regional Cooperation (IOR-ARC), serving from 1998-2000 at the University of Mauritius. This Association came into existence in March 1997 with fourteen member countries viz., Australia, India, Indonesia, Kenya, Madagascar, Malaysia, Mauritius, Mozambique, Oman, Singapore, South Africa, Sri Lanka, Tanzania, and Yemen. During my tenure in Mauritius, I organized an international seminar in

1999 on trade and investment issues in the Indian Ocean Region which was attended by a number of delegates from academia, business and government from all the 14 member countries of the IOR-ARC. The proceedings were published as a book.

After my tenure at Osmania University, I joined Icfai University as the founder principal of Icfai Institute for Management Teachers. I was in charge of the development of the doctoral program in management which became renowned for its quality. I also held the position of Vice Chancellor of Icfai University in Tripura from July, 2004 to February, 2009. At present, I am the Vice Chancellor of Icfai University in Hyderabad. In my capacity as the Vice Chancellor, I participated in the annual meetings of the Association of Commonwealth Universities held at Hyderabad during November, 2008 which was attended by the heads of the universities across the commonwealth including Canada.

In conclusion, I must point out that the training I had at Alberta helped me immensely in shaping my personality.

## **Sarah Stinson**

I graduated with an honours BA in economics and French literature in 1997. I derived a tremendous amount of value from this unique quantitative and qualitative combination. It also provided, with the great guidance of Professor Ken Norrie, an entry point into my first “real” job with the Alberta Ministry of International and Intergovernmental Relations. After working for a little over two years in interprovincial relations, interspersed with a six month backpacking trip in West Africa, I decided to return to the U of A once more where I completed an MBA, with a specialization in international trade.

My MBA involved an exchange to Montpellier in the south of France for one year, where I also undertook a Masters degree with a specialization in public sector negotiation. Not wanting to leave Europe, I moved to Geneva for a work placement with the International Trade Centre (ITC), a technical arm of the WTO and UNCTAD that provides trade development programmes to the private sector, trade support institutions and policymakers in developing countries. At the ITC, I drew extensively on my economics training in work that included providing practical advice and technical support to African small and medium enterprises seeking export markets for their products.

After moving to Ottawa in 2002 and spending a couple of years in the science and technology division at the Department of International Trade and Foreign Affairs, I was posted to the Canadian Embassy in The Hague, Netherlands. It was an incredible four years that blended diplomacy and commercial relations. My experience there involved visits by the Governor General and former Prime Minister Martin during the 60<sup>th</sup> anniversary of the liberation of the Netherlands during World War II. I was also fortunate to assist in Cyprus during the evacuation of Canadians from Lebanon in the summer of 2006. My time in Holland is also memorable as this is where our daughter was born in 2007.

I have now been working for over a year in the Foreign and Defence Policy Secretariat at the Privy Council Office (PCO), the federal department that supports the Prime Minister and Cabinet. When I returned to Ottawa from Holland in the summer of 2008, the financial and economic crisis was beginning to take hold and G20 leaders agreed to meet for the first time in Washington that



November. I have now provided policy advice and recommendations to the Prime Minister for three G20 summits, and will likely continue to do so as Canada hosts the G20 Summit in 2010. My economics background has been critical in being able to understand the highly complex issues that have been under consideration. Thanks U of A Economics Department!

## **Barry Zalmanowitz**

I obtained a B.A. in economics in 1973 and an M.A. in 1975 with a focus on Industrial Organization. After getting my M.A. I worked at the Competition Bureau in Ottawa for a year. In 1976 I returned to the U. of A. to study law and was hired by the Economics Department as a sessional lecturer teaching Industrial Organization. I continued to teach as a sessional throughout law school and for a few years thereafter. I articulated with the Milner & Steer firm, eventually becoming a partner. After several mergers the firm is now called Fraser Milner Casgrain LLP. I was managing partner of the Edmonton office from June 2005 to July 1, 2009. I have now returned full time to my practice which focuses on competition law.

I am grateful for the first-rate education I received at the U. of A. Economics Department and remember with fondness Professors: Klawe, Pendergast, Korda, Lewis, Noorzoy, Buse, Gainer, Tsushima, Drugge, Veeman, Delehanty and Roseman. I liked some better than others and I am sure some of them liked other students better than me, but they were all serious about their subject and sincere in trying to impart knowledge and a desire to learn more. My training in economics and experience at the Competition Bureau led me to a practice focused on competition law. I taught competition law as a sessional at the Faculty of Law at the U of A and have for the past several years been a guest lecturer at the Law School in Calgary teaching competition law as part of a transportation law course. A background in economics is essential to understanding competition policy and law and provides a framework for critically assessing enforcement policies, Court and Competition Tribunal decisions and proposals for law reform. I served on the Executive Committee of the Canadian Bar Association, National Competition Law Section for 6 years and was Section Chair in 2008. The CBA Competition Law Section is heavily involved in making submissions to the Competition Bureau about its enforcement policies and to Parliamentary Committees and other government bodies on proposed amendments to the Act. My training in economics has served me well. Important competition law cases involve economists who provide expert assistance in defining markets and measuring anticompetitive effects and gains in efficiencies.

My years as a graduate student at the U of A were among the best of my life and my current occupation in many ways has been a logical extension of my studies in economics.

I am pleased that my daughter, Becca, is in her third year of honours economics at the U. of A. While a recession may not be the best time to embark on certain adventures, it is a great time to study economics. What could be more relevant?

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

We thank Barry, Mahender, Mark, and Sarah for taking the time to share with us their career experiences. We are always glad to hear about our alumni from both our undergraduate and graduate programs. Please let us know what you are up to, and how your education here at the University of Alberta has served you in your life. We are also curious as to how our present

students view their experience in our programs. If you drop us a line at [bcarrier@ualberta.ca](mailto:bcarrier@ualberta.ca) we may profile you in a future newsletter!

## RESEARCH ACTIVITIES

### FACULTY PUBLICATIONS (Selected from staff annual reports for academic year 2007-2008)

Dahlby, B., *The Marginal Cost of Public Funds: Theory and Applications*. Boston: The MIT Press (2008).

Dahlby, B. "The Canadian Federal-Provincial Fiscal Equalization System," CESifo Dice Report. *Journal for Institutional Comparisons* 6 (1): 3-9 (2008).

Eckert, A. and **Douglas West**, "Firm Survival and Chain Growth in a Privatized Retail Liquor Store Industry." *Review of Industrial Organization*. 32:1-18.

Atkinson, B., **Andrew Eckert** and **Douglas West**, "Price Matching and the Domino Effect in a Retail Gasoline Market", *Economic Inquiry*, Vol. 47 (July 2009), pp. 568-588.

Eckert, A. and **Douglas West**, "Radius Restrictions on Retail Chains and the Similarity of Neighboring Shopping Centers", *International Journal of the Economics of Business*, Vol. 15 (November 2008), pp. 281-300.

Feeny, D. "Socioeconomic Status and Health-Related Quality of Life Among Elderly People in Canada and the United States." (with Nathalie Huguet and Mark S. Kaplan), *Social Science & Medicine*, Vol. 66, No. 4 (2008).

Feeny, D. "Using Health-Related Quality of Life Assessments to Evaluate Care Support within Medicaid." (with Meenan, Richard T., David Labby, Mark Spofford, David Mosen, and Rebecca Ramsay), *Care Management Journals*, Vol. 9, No. 2 (2008).

Fung, L., "Large Real Exchange Rate Movements, Firm Dynamics, and Productivity Growth," *Canadian Journal of Economics* 41(2) (2008).

Humphreys, B., "Determinants of Franchise Values in North American Professional Sports Leagues: Evidence from a Hedonic Price Model." (with Michael Mondello), *International Journal of Sport Finance*, vol. 3, no. 2 (2008).

Humphreys, B., "Ticket Prices, Concessions and Attendance at Professional Sporting Events", *International Journal of Sport Finance*, vol. 2, no. 3 (2007).

Lindsey, R., "Private operators and time-of-day tolling on a congested road network." (with de Palma, Andre; Wu, Fang), *Journal of Transport Economics and Policy* 42(3) (2008).

Lindsey, R., "The merits of separating cars and trucks." (with de Palma, Andre; Kilani, Moez), *Journal of Urban Economics* (2008).

Marchand, J., "The Retirement Consumption Conundrum: Evidence from a Consumption Survey." (with Fisher, Jonathan D., Johnson, David S., Smeeding, Timothy M., and Torrey, Barbara Boyle), *Economics Letters* 99.3 (2008).

Marchand, J., "Ranking Inequality: (with Horrace, William C., and Smeeding, Timothy M.), Applications of Multivariate Subset Selection." *Journal of Economic Inequality* 6.1 (2008).

McMillan, M., "A Local Perspective on Fiscal Federalism," *Macro Federalism and Local Finance*. Ed. Anwar Shah. (2008).

McMillan, M., *Alberta: Municipal System Overview*. (with Edward C. LeSage), Edmonton: University of Alberta, Western Centre for Economic Research, Information Bulletin 110. (2008).

Ruseski, J. "Participation in Physical Activity and Government Spending on Parks and Recreation." (with **Brad Humphreys**) *Contemporary Economic Policy*, vol. 25, no. 4 (2007).

Ruseski, J. "The Size and Scope of the Sports Industry in the United States." (with **Brad Humphreys**), *The Business of Sports*, ed. Brad R. Humphreys and Dennis Howard, Westport, CT: Praeger Publishers (2008).

Ryan, D., "A Systems Approach to Modelling Asymmetric Demand Responses to Energy Price Changes", (with **André Plourde**), *Functional Structure Inference*, W.A Barnett and A. Serletis, ed. Elsevier: London (2007).

Smith, C.E., "Government Debt Spillovers in a Monetary Union." (with **Stuart Landon**), *North American Journal of Economics and Finance*. Volume 18.

Smith, R. T. "Interest Rate Smoothing and Financial Stability." (with **Henry van Egteren**), *Review of Financial Economics*, 14, 147-171 (2005).

Szostak, R., "How and why to teach interdisciplinary research practice", *Journal of Research Practice*, 3(2) (2007).

Szostak, R., "Classifying Heterodoxy", *Journal of Philosophical Economics*, 1:2 (2008).

Ural-Marchand, B., "Trade Liberalization, Labor Market Institutions and Poverty Reduction: Evidence from Indian States" (with Mitra, D. and Hasan, R), *Indian Policy Forum* (2007).

Xu, Y., "Relevant international experience of real exchange rate adjustment for China." *China Economic Review* (2008).

Young, D., "Who Pays for the 'Beer Fridge?': Evidence from Canada." *Energy Policy* 36: 2 (2008).

Young, D., "When Do Energy Efficient Appliances Generate Energy Savings? Some Evidence from Canada." *Energy Policy* 36: 1 (2008).

**PROFESSIONAL AND PUBLIC ACTIVITIES** (Selected from staff annual reports for academic year 2007-2008)

#### **CONFERENCE PRESENTATIONS**

Hryshko, D., "Childhood Determinants of Risk Aversion: The Long Shadow of Compulsory Education." (with Maria Jose Luengo-Prado, Bent Sorensen), *2007 NBER Summer Institute: Children and 2008 Meetings of the Society of Labor Economists*, New York.

Hryshko, D., "RIP to HIP: The Data Reject Heterogeneous Labor Income Profiles." *2008 Canadian Economic Association Meetings*, Vancouver.

Humphreys, B., "Monitoring Cartel Stability: Evidence from NCAA Football," (with **Jane Ruseski**), *Alberta IO Conference*, (2007).

Humphreys, B., "Urban Casinos and Tourist Bubbles," (with Daniel Mason), *Cleveland State University Urban Affairs Conference*, (2007).

Landeo, C., "Naked Exclusion: An Experimental Study of Contracts with Externalities." *Annual Meetings of the American Law and Economics Association; North American Meetings of the Econometric Society; and North American Regional Meetings of the Economic Science Association* (2008).

Landeo, C. "Tort Reform under Endogenous Beliefs." *Conference on Empirical Legal Studies* (2007).

Landon, S. "Are Taxes Capitalized in Bond Prices?" *Canadian Economics Association Annual Meeting*, (2008).

Lindsey, R., "Transportation infrastructure investments, pricing and gateway competition: policy considerations" *Second International Conference on Funding Transportation Infrastructure*, (2007).

Lindsey, R., "Cost recovery from congestion tolls with stochastic capacity and demand" *Third International Conference on Funding Transportation Infrastructure and Tenth Journée Transport* (2008).

Marchand, J., "The Evolution of Private Pensions, Risk-Sharing, and the Variance in Assets", *NBER Summer Institute* (2007).

Ruseski, J., "Sport Participation and Adolescent Use of Performance Enhancing Drugs", (with **Brad Humphreys**), *III Gijón Congress on Sports Economics*, (2008).

Ruseski, J., "The Size of the Sports Industry in the United States," (with **Brad Humphreys**), *Tenth Annual Conference, International Association of Sports Economists*, (2008).

Ryan, D., "How Much Energy Do Home Retrofitting Activities Actually Save? Evidence from Canada", (with Samuel Gamtessa), *27th United States Association for Energy Economics/International Association for Energy Economics North American Conference* (2007).

Ryan, D., "Residential Energy Efficiency Programs, Household Characteristics, and Energy Consumption", *31st International Conference of the International Association for Energy Economics*, (2008).

Smith, C.E., "The Tax (Dis)Advantage of Premium Bonds in Canada: Evidence from the Market for Government of Canada Bonds." *Canadian Economics Association 42nd Annual Meeting*, (2008).

Szostak, R., "Interdisciplinary Perspectives on Economic Growth", *The International Journal of Interdisciplinary Social Science* 2:3 (2007); *Second International Conference on Interdisciplinary Social Science* (2007); and *Socio-Economic Forum, University of the West Indies* (2008).

Szostak, R., "A Growth Agenda for Economic History", *Canadian Economics Association Annual Meeting* (2008).

Ural-Marchand, B., "The Impact of Trade Liberalization on Household Welfare in a General Equilibrium Framework: Empirical Evidence from India", *Socio-Economic Forum, University of West Indies* (2008).

West, D., "Exclusive Dealing in On-Premise Sales of Beer in Edmonton", *Meeting of the Canadian Law and Economics Association*, (2007), and the *Alberta Industrial Organization Conference*, (2007).



West, D., "Critique of the Competition Bureau's Predatory Pricing Enforcement Guidelines", *Competition Policy Panel, Canadian Economics Association meetings* (2008).

Xu, Y., "How Would Renminbi's Real Appreciation Affect the Structure and Productivity of the Chinese Economy?" (with Xiaoyi Yan), *International Conference on Experiences and Challenges in Measuring National Income and Wealth in Transition Economies* (2007).

Xu, Y., "Relevant international experience of real exchange rate adjustment for China." *CES Annual China Conference* (2007).

### **OTHER ACTIVITIES AND ACCOMPLISHMENTS**

Humphreys, B.: Vice President, North American Association of Sports Economists

Lindsey, R.: recipient of 2008 Faculty of Arts Research Excellence Award for Full Professor

Plourde, A.: member, board of editors, *The Energy Journal*

### **FACULTY GRANTS** (Selected from staff annual reports for academics year 2007-2008)

Brenčić, V.: University of Alberta Endowment Fund for the Future (SAS grant and Special Capital Equipment grant), 2008.

Fung, L. (Ping): SSHRC Research Development Initiatives – Special Call in Management, Business and Finance, 2008-09.

Humphreys, B.: Alberta Gaming Research Institute, 2008-2010.

Landeo, C.: Killam Research Fund (2008); SAS Travel Grant, 2008.

Ruseski, J.: Institute of Advanced Policy Research through Alberta Health and Wellness (2007-2009); University of Illinois at Urbana-Champaign, Faculty Extension Flagship Program (2007-2010); University of Alberta Endowment Fund for the Future – Capital Recruitment Fund, 2008.

Ryan, D.: School of Energy and the Environment, 2008-09.

Smith, C.E.: Killam Research Fund Cornerstone Grant, 2008-09.

West, D.: Industry Canada; CRA International; Pearson Education Canada

## **SPECIAL EVENTS**

### ***Second International Workshop on Empirical Methods in Energy Economics***

The Department of Economics was well represented at the Second International Workshop on Empirical Methods in Energy Economics held at the Sawridge Inn and Conference Centre in Jasper, August 28 and 29, 2009. The conference was organized by David Ryan, Professor of Economics and Director of the Canadian Building Energy End-Use Data and Analysis Centre (CBEEDAC).

Former Master's student Matthew Hansen, who is currently at the National Energy Board, made a presentation on NEB forecasts of energy demand responses to price changes. PhD student Junaid

Jahangir presented a paper based on the most recent results from his doctoral research on electricity prices in the wake of Alberta's restructuring process. Lucie Maruejols, the new executive director at CBEEDAC, served as a discussant for a conference paper. André Plourde and Denise Young also attended and presented papers at the conference.

Most of the conference papers and presentations are available on the Department of Economics website at <http://www.economics.ualberta.ca/EMEE09.cfm>

## **IPE UPDATE**

### ***New Director***

Recently Robert (Bob) Ascah was appointed as the new Director at the Institute for Public Economics. Bob returns to the University Campus after a 25 year career in Alberta's public and crown corporation sectors. He obtained his Ph.D. in political science at the University in 1984 after completing degrees in Commerce and Public Administration at Carleton University. Bob joined the Alberta Department of Federal and Intergovernmental Affairs in 1984. In 1986, Dr. Ascah moved to the Alberta Treasury Department where he was responsible for foreign borrowing, relations with credit rating agencies and financial sector policy. After ten years he joined Alberta Treasury Branches and was instrumental in facilitating its change in status to an operationally-independent, Crown corporation. He was responsible for government relations and economics research at ATB before retiring in May of this year.

"I am particularly pleased to be joining the Institute because it assisted in the publication of my doctoral thesis - *Politics and Public Debt* published in 1999 by the University press.", says Ascah. Paul Boothe, the Institute's founding director, encouraged Ascah to turn his dissertation into a book. One of the unusual and largely unknown events in Alberta's history was the Social Credit government's default on its debt in 1936.

Ascah notes "Given the current state of government finances, I believe the Institute for Public Economics offers a forum for exploring all kinds of public policy issues. It is my hope that through conferences, seminars, lectures and published research, the Institute will become a credible and innovative source of policy advice to all levels of government." He is looking forward to engaging students, faculty, and government officials in the affairs of the Institute. "Coming from the government and business sector, there is often a view that academic research is not wholly responsive on pressing issues of the day. I hope we can excel as an Institute in becoming a place where relevant issues can be debated and practical solutions identified."

Bob is very active in the community. He sits on the board of the United Way, Alberta Capital Region. For five years he has been a director on the Alberta/NWT division of the Canadian Cancer Society and will become its chair in 2010. He is also a director of the Edmonton Financial Literacy Society. He is married to Linda (who is an alumna of U of A), and is the proud father of Rachel who is studying nursing.

## **UPCOMING ACTIVITIES**

The Institute for Public Economics will be hosting an exciting line-up of speakers this coming May 6 and 7. The conference, entitled "Boom and Bust Again: Policy Challenges for a

Commodity-Based Economy,” will be held for a day and a half at the University’s Telus Centre. As Alberta’s fiscal situation has deteriorated significantly within the last twelve months, the conference will explore relevant policy issues facing provincial finances. Six sessions will examine policy challenges that previous governments have addressed with varying success. The first session will provide an overview of the current fiscal challenges by examining the historical context that has led to the current stresses in Alberta’s finances. Professors Herb Emery and Ron Kneebone from the University of Calgary will set the context for the conference. Paul Boothe, former director of the Institute and senior official with Industry Canada, has confirmed as the commentator for this session. The second session addresses the issue of economic growth and diversification- theory and practice in Alberta. Professors Bev Dahlby and Mel McMillan and M.A. student Kathleen Macaspac will be presenting their research findings. Jason Brisbois and Ted Chambers of the Western Centre for Economic Research will also present a paper. Larry Pollock, President and CEO of Canadian Western Bank group will be the commentator for this session.

Session 3 is entitled Energy, Environment and the Sustainable Economy. Roger Gibbins, President of the Canada West Foundation and Andrew Leach of the School of Business will address this controversial area. In the fourth session, provocatively entitled “Saving for the future- Why is it so difficult?” Bob Ascah, the Institute’s new director, will explore the political dimensions to this perennial dilemma facing Alberta’s policy-makers. Rolando Ossowski, recently retired from the IMF, will speak on the fiscal responses of oil-producing countries to the recent economic cycle. Shirley McClellan, former Deputy Premier of Alberta, will provide commentary from a political perspective. The final afternoon of the conference will concentrate on the revenue and expenditure challenges facing the provincial government. Jack Mintz, Palmer Chair of Public Policy at the University of Calgary, will discuss the royalty regime in a comparative context. Stuart Landon and Connie Smith will study the relationship between commodity prices, exchange rates and provincial revenue to assess whether a hedging strategy could be employed to minimize revenue volatility. The final session will explore the expenditure challenges and, in particular, will examine health care and capital infrastructure spending. Institute Fellow and former Deputy Treasurer Al O’Brien will present on this subject as well as Stephen Duckett, Alberta Health Services CEO. Please visit the Department of Economics website for further information updates.

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

The Canadian Building Energy End-Use Data and Analysis Centre (CBEEDAC) is a research centre located in the Department of Economics and directed by Prof. David Ryan. For the past 7 years, CBEEDAC has carried out research and collected data pertaining to energy use in Canadian buildings. This year CBEEDAC welcomes a new executive director, Lucie Maruejols. She joined the centre in February 2009 and has been responsible for the day-to-day administration of the centre, the supervision of project progression, as well as contributions to research.

Funding from Natural Resources Canada allows CBEEDAC to hire a number of student researchers each year. In 2008/2009, James Lin provided assistance on a project regarding commercial energy efficiency, while Cal Schafer worked on the collection of retail electricity prices. Hang Gao and Qilin Wang contributed to various research tasks. Noha Abdel Razek is

currently working on an extensive project involving estimation of demand elasticities for a variety of sectors and fuels. This project will help in the assessment of the effectiveness of a carbon tax in Canada.

CBEEDAC projects completed over the past year include work by Denise Young and James Lin on commercial energy efficiency and its evolution over time. Lucie Maruejols and David Ryan examined residential energy demand elasticities as well as the potential of government retrofit programs such as the EnerGuide for House program to induce energy savings in households. Finally, David Ryan authored a paper explaining the energy savings achieved under the EnerGuide for House program.

One of the main objectives of the centre is to bring together data related to energy end-use of buildings, and over the past year, more surveys were identified and included in the meta-database developed by CBEEDAC. This meta-database is searchable online and includes a number of literature items and surveys on energy end-use. Items are classified according to their sector - residential, institutional or commercial. They cover a wide range of aspects related to energy end-use, such as the measurement of energy consumption and efficiency, the models used in energy or environmental economics, guides to energy saving for households or buildings managers, and papers on new or energy efficient technologies. The meta-database provides information regarding the location of these items while a number of literature articles are available for consultation in the CBEEDAC office.

The meta-database and recent research reports can be easily accessed via the newly revamped CBEEDAC website: [www.cbeedac.com](http://www.cbeedac.com). The website also includes updated information on the centre's activities, registration for the tri-annual newsletter, CBEEDAC newsletters and many previous research projects completed since the inception of CBEEDAC.

On an administrative note, CBEEDAC has sought the formal recognition of the University to be recognized as an official Centre of the University of Alberta. This change of status is expected to be granted in 2009. Although this evolution does not modify the work or the structure of the Centre, it will give CBEEDAC greater public exposure.

Finally, several CBEEDAC members participated in the 2<sup>nd</sup> International Workshop on Empirical Methods in Energy Economics, which was held in Jasper, Alberta, on August 28<sup>th</sup> and 29<sup>th</sup>. The wonderful weather and scenery did not prevent participants from attending the conference presentations and taking part in fruitful and lively discussions.

CBEEDAC is looking forward to the 2009/2010 year, with new exciting projects, more student involvement and new opportunities. If you are interested in CBEEDAC, would like to receive the newsletter, or want to discuss data or research issues on energy end-use consumption, please visit the website [www.cbeedac.com](http://www.cbeedac.com) or write us at [cbeedac@ualberta.ca](mailto:cbeedac@ualberta.ca).

## **HIRING**

Once again, the Department of Economics is in the market for a new faculty member. We look forward to introducing you to another new hire in next year's newsletter.



## SCHOLARSHIPS & AWARDS

Congratulations to the Department of Economics 2009 Scholarship and Prizewinners:

- J. Carver – Queen Elizabeth II Graduate Scholarship. Value: \$10,800
- J. Fisher - Queen Elizabeth II Graduate Scholarship. Value: \$10,800
- A. Cagdas – AD O’Brien Graduate Scholarship in Public Finance. Value: \$5,900
- A. Behnamian – John Garret Graduate Scholarship in United States Studies. Value: \$5,300
- A. Cagdas – Canadian Association for Energy Economics Graduate Scholarship in Energy Economics. Value: \$5,000
- W. Xu – Maurice, Mary and Max Stewart Award. Value: \$5,000
- Z. Li – Provost Doctoral Entrance Award. Value: \$4,409
- R. White – Provost Doctoral Entrance Award. Value: \$4,409
- V. Gallardo – Core Prize in Economics. Value: \$500
- M. Maxson – Research Prize. Value: \$250

## 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 1-99 to Jul 1-09</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>
2008-09	6	1	7	0	14
2007-08	1	0	15	0	16
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

<b>Undergraduate Convocations July 1-99 to Jul 1-09</b>			
<b>Year</b>	<b>Fall</b>	<b>Spring</b>	<b>Total</b>
2008-09	33	78	111
2007-08	30	133	163
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

<b>Ten-Year History of Majors and Honors</b>			
<b>Year</b>	<b># of Majors</b>	<b># of Honors</b>	<b># of Registrations</b>
2008-09	632	27	8164
2007-08	565	32	8138
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

## **CONVOICATIONS**

### **PhD in Economics Spring 2009**

LI, M.: Inflation, Finance, and Economic Growth

### **MA degrees conferred: Spring 2009**

BELIHU, S.: Economic Development and Democracy: Pooled Cross-Sectional Time-Series Evidence

GALLARDO, V.: Monthly Spot Price Volatility in Natural Gas Market Centers in North America

MASLO, A.: An Examination of Airline Pricing in Canada

MAXSON, M.: Interprovincial Migration Choice with Heterogeneous Response

PATEL, K.: The Relationship Between On-Field Winning Success, Gaming Markets, and Stock Returns for Two Publicly Traded Sports Franchises

TAJAMMUL, S.: Analysis of the Full-Time Part-Time Wage Gap in Canada

WANG, X.: Determinants of Canadian Households' Stockholding in the late 1990s

XIAO, Y.: Does Financial Structure Matter for Income Inequality

### **Fall 2009**

BOIK, A.: The Anti-Competitive Effects of Most-Favored-Nation Clauses in Health Care Contracts

CHIU, E.: An Empirical Study of the Determinants of Child Obesity in Canada

LI, L.: Foreign Direct Investment and Economic Growth: Evidence from Developing Countries

LIANG, L.: The Relationship Between Alberta's Wholesale Electricity Prices and AECO-C Natural Gas Prices

SHEN, Z.: Why Do People Buy Lottery Tickets?: An Analysis of Lottery Participation in Alberta

### **MA in Economics and Finance degrees conferred: Fall 2009**

FEI, T.: Estimating Exchange Rate Pass-Through to Import Price, PPI and CPI Inflation

## **Congratulations**

Congratulations to Valentina Galvani on the arrival of a healthy baby boy!!

## **THANKS**

The Department also gratefully acknowledges all of our donors for their contributions towards helping the Department pursue its mandate of excellence in teaching. 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 information about undergraduate awards available to students majoring in Economics, visit [http://www.uofaweb.ualberta.ca/arts/scholarships\\_and\\_aid.cfm](http://www.uofaweb.ualberta.ca/arts/scholarships_and_aid.cfm)

If you would like to contribute to any Department of Economics initiatives or awards, please send your contribution to:

Attn: Louise Whyte  
Department of Economics  
University of Alberta  
8-14 HM Tory Building  
Edmonton, AB T6G 2H4

Thank-you to Kaly Ryan for designing this years' cover page.

If you would prefer receiving an electronic version of our newsletter, please contact: [brenda.carrier@ualberta.ca](mailto:brenda.carrier@ualberta.ca)

## **VISIT OUR WEB SITE**

To keep up-to-date with Department activities and events, please visit our website often:

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