

Chair's Introductory Remarks

2007-08 began on a very positive note for the Department of Economics: two faculty members and two former graduate students were jointly awarded the *John Vanderkamp Prize* for the best paper published in *Canadian Public Policy* in the previous year. Congratulations to **Stuart Landon, Mel McMillan, Vijay Muraldhiran,** and **Mark Parsons**.

We were also successful in making three faculty appointments last year. **Haifang Huang** joins us from UBC, where his PhD work dealt with macroeconomic aspects of the housing market – rather an appropriate topic in these turbulent times. **Corinne Langinier** comes to the University of Alberta following a period at Iowa State University; she holds a PhD from Université de Toulouse and specializes in industrial organization. As noted in last year's *Newsletter*, the Department of Economics and the School of Business were jointly allocated a senior position. I am pleased to report that we were successful in attracting **Ujjayant Chakravorty** from Central Florida University to take on that position. Ujjayant is a well-known resource/energy economist whose work has appeared in top refereed journals. Welcome to all of you – we are very pleased that you decided to join us!

Sadly for us, however, the lure of Ottawa proved irresistible for **Paul Boothe**. Indeed, Paul resigned his position to become Senior Associate Deputy Minister with the federal Department of Industry in the summer of 2007. Paul's contributions, in the course of his stay at the University of Alberta, were both numerous and significant. His research work has been influential on both provincial and national stages. Paul also made sure that our students benefited from his research interests and his professional profile: he always sought to bring policy relevance to his teaching. Many Economics students also benefited from Paul's efforts to encourage departments of the Government of Alberta to create summer internship programs. Many thanks, Paul, for all that you have done for the Department and our students. All the best as you embark on this next stage of your career.

Fall Convocation was especially significant for the Department in 2007 since the University of Alberta awarded an honorary doctorate to **Al O'Brien**, Institute for Public Economics fellow. In doing so, the University recognized Al's substantial and substantive contributions to public administration in Alberta and in Canada. We are proud of Al's continued association with the Institute and the Department. Congratulations, Al!

Gordon Lee received further recognition for his superb undergraduate teaching. This year, it was the Faculty of Engineering that bestowed a teaching award on him. Over the years, thousands of students have benefited from Gordon's dedication and his ability to make the "dismal science" interesting and relevant in the classroom. It is an honor to count Gordon among our teaching staff.

Every year, the Faculty of Arts recognizes the sustained high-quality contributions to research made by a Full Professor. It was such a thrill this year when the Faculty chose to honor **Robin Lindsey** with its Research Excellence Award for Full Professor. As many of you know, Robin is an international force in the field of transportation economics. His work has been noted around the world, which has led to numerous invitations to present seminars and invited lectures at conferences, universities, and research centres in Asia, Australia, Europe, and North America. I am thrilled that the Faculty chose to recognize Robin's accomplishments in this way: he is a most meritorious winner. Congratulations, Robin!

Efforts by faculty members to secure external research funding met with success again this year. In particular, note that **Loretta Fung** and her collaborators received a new research grant from SSHRC. Funding from Natural Resources Canada in support of the Canadian Building Energy End-use Data and Analysis Centre was again obtained as a result of **David Ryan**'s efforts. **Brad Humphreys** is part of a team that secured a major, multi-year research grant from the Alberta Gaming Research Institute. Not only do these grants help fuel the Department's research efforts, but they also provide financial support and learning opportunities for our graduate students.

As you will see in more detail later, the Department hosted one of the first major events in celebration of the University of Alberta's centenary. In February 2008, the *Eric J. Hanson Memorial Lecture* brought together three Governors of the Bank of Canada and other dignitaries for a series of reflections on the past, present, and future of Canadian monetary policy. David Dodge, in one of his very first public appearances since the conclusion of his mandate as Governor, delivered the Lecture. Former Governor John Crow headlined a panel that looked back on his own 1988 Hanson Lecture, which was instrumental in charting a new course for monetary policy in Canada. And all this with newly installed Governor Mark Carney in the audience. Thanks to **Paul Boothe** for his help in organizing this event and to friends and colleagues at the Bank of Canada for their cooperation.

In February 2008, the Department and the Faculty of Social Sciences at the University of the West Indies (St. Augustine campus) co-sponsored a Socio-

Economic Forum. Three faculty members and four graduate students from the Department presented papers at this event, held in Trinidad.

I would also like to take this opportunity to thank all of the members of the Department's support staff. Their hard work is an integral part of the Department's success. Were it not for their dedication and professionalism, it would not be possible for faculty members and instructors to focus on their own contributions to the Department's research and teaching effort.

Thanks to all for a great year!

André Plourde

NEW FACES

Ujjayant Chakravorty

Ujjayant Chakravorty holds a joint appointment in the Department of Economics and the School of Business. He is also a designated Tier 1 Canada Research Chair in Natural Resource Economics. He has a bachelor's degree in civil engineering from the Indian Institute of Technology in Delhi and a PhD in agricultural and resource economics from the University of Hawaii at Manoa. Prior to joining the faculty at the University of Alberta, Ujjayant held tenured positions at UH Manoa, Emory University in Atlanta and the University of Central Florida in Orlando.

This summer Ujjayant taught at the University of Toulouse and was a visiting professor at the University of Paris at Sorbonne. While in Europe, he presented papers at the University of Heidelberg in Germany and at a conference in Girona, Spain. He also made a short presentation at the NBER in Boston. This fall, he is teaching a course in exhaustible resource economics and is organizing this year's CBEEDAC / CABREE speaker series.

Much of his research deals with the effect of environmental regulation on fossil fuel use. He also works on water issues and other resource topics. His hobbies are watching movies, eating out and playing ping pong. He is struggling to learn French.

Haifang Huang

Haifang Huang is a newly appointed assistant professor of economics. His primary fields of research are macro-economics and monetary economics. His current research includes examining the relationship between monetary policy and economic stability and studying the housing sector in the context of macroeconomic models. His research interests cover a wide spectrum, as he is also intrigued by the relationship between the structure of financial markets and macroeconomic stability and has undertaken studies of the economics of well-being and social capital.

His recent papers include two studies co-authored with John Helliwell. “How’s Your Government? International Evidence Linking Good Government and Well-Being” is forthcoming in the *British Journal of Political Science* and “How’s the Job? Well-Being and Social Capital in the Workplace” is currently under review.

Haifang is expected to receive his PhD from the University of British Columbia in November 2008. He also holds an M.A. from the University of New Brunswick and a B.A. from the Renmin University of China.

Corinne Langinier

Corinne Langinier received her PhD in Economics from the University of Toulouse, France. Her primary field of research is Industrial Organization, with specific research interests in intellectual property rights, innovation, research and development activities, and problems related to agricultural markets.

Her research is largely concerned with the limits of patent protection, and focuses on the strategic behaviour of innovators when applying for or renewing a patent or deciding whether or not to sue an infringer. This branch of her research also looks at the impact of regulation on research and imitation investment, and the economics of litigation. From a more normative stand-point, Corinne’s work analyzes the welfare implications of changes in the patent system, such as the social implications of indirect liability provisions with respect to patent infringement.

Some of Corinne’s more recent research examines the functioning of the patent system. This has led her to embark upon an empirical project that looks at the careers of patent examiners at the U.S. Patent and Trademark Office and its impact on patent attributes.

Before joining the department of economics at the University of Alberta, she held positions at Concordia University in Montreal and at Iowa State University.

Adjunct Professor - Paul Boothe

Although Paul Boothe is no longer a full-time faculty member, he continues his association with the Department of Economics as an adjunct professor. Among other things, this means that he will continue to be able to participate in the supervision of graduate students. Along with a research record that covers articles, books and monographs in the areas of fiscal relations between governments, government budgeting and public sector performance measurement, the expertise that students will be able to draw on includes a significant amount of public service experience. The following note from Al O'Brien summarizes the relevance of the public service component of Paul's career to date:

Paul has an abiding faith in the relevance of economic theory to real world public policy issues and a keen interest in applying his academic research to public administration. As an advisor to Alberta Ministers, Cabinets and Caucuses over more than two decades, he has played a profound and unique role in the evolution of public policy in the Province, particularly in the areas of fiscal and health policy as well as federal-provincial fiscal relations. He has also been actively involved in public governance and administration, serving as one of the founding members of the Capital Health Region Board, as Deputy Minister of Finance and Secretary to Treasury Board in Saskatchewan, as Associate Deputy Minister and G7 Deputy for Canada in Ottawa, and currently as Senior Associate Deputy Minister in Industry Canada, where he is making major contributions to national policy in such critical spheres as science and innovation, competition policy, and national productivity. In short, he is a "go to guy" when government Ministers and officials are looking for sound, creative, and impartial solutions to problems of public policy and administration.

But Paul's most lasting legacy will no doubt come through the success of the dozens of students and researchers whom he has inspired to build their academic and professional careers in the study and practice of public policy. He has been a strong mentor to all his students, and they now form an important cadre of senior officials in governments across Canada, as well as teachers and researchers in Canada and abroad. Professor Boothe has made a major contribution to building the University of Alberta's reputation as a centre of excellence for the study of public policy, in the very best traditions of Eric Hanson, another Faculty Member who made lasting contributions to the study of public policy and public administration at the University of Alberta.

ADMINISTRATIVE STAFF

Another year brought more change to the administrative staff complement in the Department. Amie Cowie resigned her position in March and relocated to Calgary. Although her term with us was short, Amie brought a warm professionalism and bright personality to the position. We appreciate her many contributions and wish her much success in the future. Chelsi Mitchell joined the general office staff in May, 2008. Chelsi is a University of Alberta graduate (BA, Linguistics). In April, Deborah Choi was hired to lend support in the unit review process and in August her duties evolved to include administrative support for our new undergraduate program chair, Andrew Eckert. Louise Whyte continues in capacity of APO, Audrey Jackson as graduate program administrator, Charlene Hill as assistant to the Chair, Connie Nikoo administrative secretary and Brenda Carrier as research admin assistant.

STUDENTS IN THE WORLD

Keiko Asakawa

I started my Master of Economics program at the University of Alberta as an exchange student from Hokkaido, Japan. I took a 2-year absence from my Master of Business Administration degree in Japan and arrived at the Edmonton International Airport on January 2, 1997. There I had the first “eye-opening” experience in Canada: minus 36 degrees and a blizzard. At that moment, I was not quite sure if I could pursue my academic journey in this city. Ten years later, I realized that I did survive!

Coming from an educational background in commerce and human resource management, studying economics at U of A was another eye-opening experience. While I was in the economics program, I became interested in labour economics and I did my Master’s research project under Dr. Shmuel Sharir focusing on the analyses of labour force participation. Upon completion of my two Master’s degrees, I became interested in population health and took a course from Dr. David Feeny. Taking his class was another discovery: I had never thought that microeconomic theory might be applied to measure health and health-related quality of life. After taking his course, I decided to pursue my PhD under Dr. Feeny. In my dissertation, I investigated the determinants of health of Canadians. During my PhD program, I was fortunate to have received a doctoral fellowship from Statistics Canada. Therefore, I moved to Ottawa for the last eight months of the program to complete the final chapter of my dissertation at Statistics Canada’s

headquarters. I have just recently defended my dissertation in August 2008. Currently, I work as an economist in Ottawa and mainly conduct economic analyses of various health technologies in Canada in a multidisciplinary environment.

Thinking back, my foundation of knowledge and analytical skills are based on training I received in the Economics department. It was after I left the Economics department that I realized how valuable the knowledge and training I acquired at the Economics department became. I feel much more confident in working with multidisciplinary teams and I am convinced that all the hard work I devoted to finish the economics degree was worth the effort, especially those sleepless nights completing Dr. Ryan's econometric course. His class notes are still in my office bookshelf and they always come in handy! During those busy days in the economics department, I also had a lot of fun. In particular, Drs. Bev Dahlby and Sam Wilson often invited me to play tennis. They taught me how to balance work and life – something I have not yet mastered!

Benjamin Atkinson

After earning both my B.A. and M.A. degrees in Economics at Carleton University in Ottawa, I got a job as an Economist at the Canadian Competition Bureau in 1999. Although I originally had no intention of going back to school for my Ph.D., I had the pleasure of working with several economists at the Bureau who helped me to develop a strong interest in Industrial Organization and Competition Policy, and who also encouraged me to go back to school to further develop these skills. As luck (or perhaps fate) would have it, two of these economists were Doug West and Andrew Eckert. I eventually followed them to the University of Alberta in 2002, where they became my co-supervisors.

My experiences at the U of A definitely shaped the way I approach my work today. For example, I learned (and *usually* remember) to think about what I want to say before it comes out of my mouth (or is transmitted via e-mail). I often think back to something a wise man told me when I arrived at the U of A: don't be in a rush to give your opinion, especially if you have time to give it more thought, because people are more likely to remember what you said than how long you took to say it. This is important advice for anyone to follow, regardless of their occupation or area of study.

However, I don't want to imply that I was discouraged from taking calculated risks. On the contrary, I was permitted to take some very unusual risks to achieve my goals. For example, I was (and still am) fortunate that when I took my Candidacy Exam, the people on my committee (who also included Robin Lindsey, Stuart

Landon, and Moin Yahya) were open-minded, and thus approved my proposal to personally drive around Guelph for four months to collect my own gasoline prices. I was then even more fortunate to have co-supervisors who, after I arrived in Guelph, gave me their blessing to drive around the city eight times per day instead of three or four. I don't know what they were thinking when they gave me this approval, but they nevertheless trusted me enough to give me a chance to prove that it could be done. It certainly paid off in the end. Over the years, I have often thought that I might not have been given so much encouragement if I went to another university.

In 2006, I returned to the Competition Bureau with what I learned at the University of Alberta, and worked as a Senior Economist until 2008. It was during these two years that I was the lead economist on many files that involved both policy work and the enforcement of the *Competition Act*. Many of these files dealt with the Transportation (e.g., air, rail, marine, freight) and Natural Resources (e.g., oil and gas, forestry) sectors of the economy, two areas which also interest me academically. Some cases involved assessing proposed mergers between market competitors, such as the BGM/CHUM media merger and the Abitibi/Bowater forestry merger. Others dealt with the Civil Matters provisions of the *Competition Act*, including predation (where a firm is accused of trying to harm its competitors by setting prices too low or quantities too high), and tied selling (where a firm is accused of selling two or more goods as a package to harm its competitors). However, most of my work during this time involved criminal cases of alleged collusion, where firms were accused of explicitly agreeing on the terms of trade. As one might expect, these agreements often involved the coordination of prices and quantities, but they sometimes also involved explicitly allocating certain markets and/or customers to each cartel member. I learned a lot during my time at the Bureau, not only regarding how textbook theories could be applied to the "real world", but also how to explain these theories to non-economists.

Although much of this work was quite interesting, I longed to return to academia. I therefore took what I learned at the Competition Bureau to the U of A's Augustana Campus in Camrose, where I am currently a Sessional Lecturer in Economics. It is here that I enjoy teaching several courses, some of which are very familiar (e.g., Principles of Microeconomics), while another is quite new to me (an Economic History course on the Industrial Revolution). I spend much of my remaining time developing my research program, which includes new empirical studies of retail gasoline pricing in Canadian markets, as well as studies of liquor store competition in Alberta (with Doug West and Andrew Eckert).

With respect to future goals, I am currently on the market for a tenure-track position. Otherwise, I prefer to not plan my future in great detail. Rather, I will continue to follow the path that I have taken over the past 10 years: keep my eyes open for new opportunities, and apply my past experiences to these future pursuits. There are certainly many opportunities out there for an economics graduate; one simply needs to remain highly motivated, open minded, and willing to take calculated risks.

Dennis O'Malley

I was awarded a PhD in the Fall convocation of 1975 having completed an MBA at Alberta in 1967. I had an excellent and patient advisory committee including Adolf Buse, Eric Hanson and John Delahanty. In December 1973 I began working for an Australian and international management consulting business, WD Scott and Co. I remained with WD Scott until the business was bought by Coopers & Lybrand in 1985. During this time most of my work involved cost-benefit analysis or policy development and included projects in Australia, Papua New Guinea, Philippines, Sudan, New Zealand and Kenya. After joining Coopers & Lybrand in 1985 my role shifted towards policy, business services and commerce, with less international travel, much to the relief of my family. I began to undertake voluntary roles at the Chamber of Commerce and in various community associations. In 1991 I began consulting in my own name. I continue to consult although I am now at least partly retired. My interests in consulting have shifted towards facilitating the development of clusters of businesses and I am now, belatedly reading and thinking about transaction costs and their role in economic development. From 1997 to 2007, together with over forty volunteers, I was the leader of a project to publish indicators of the economic, social and environmental performance of South Australia. This project was housed in a business, community and government collaboration with the name of SA Business Vision 2010. It had the effect of improving the use of published data, rather than anodyne anecdotes, by the state Government when describing its performance. For this work I was awarded the Order of Australia in January 2007. My memories of Alberta, and of the Economics Department are of a time of great change in my life. I married Ghislaine, had a son Patrick, made many friends and found a direction in my life. To all who remember those years I send my greetings.

Sonya Wintinck

I received a BA in Economics in 1994 and then moved on to the Department of Rural Economy to complete a masters degree. My masters thesis research took me to Thailand where I studied natural resource issues in a developing country setting, specifically the efficiency and equity of water distribution in the Mae Taeng Irrigation District. The experience of living in a different culture and working with colleagues at Maejo University was profound, and further fueled my love of travel.

On completion of my MSc I was fortunate to land a job in Madison, Wisconsin as an environmental economist at Hagler Bailly (and was later transferred to Boulder, Colorado when my division split off and became Stratus Consulting). There I worked on several natural resource damage assessments. These were projects which estimated the monetary value of damages to the recreational uses from pollution at Superfund sites. These were challenging tasks. In my first project I worked with colleagues and professors from a variety of universities to assess damages to the Green Bay and the Fox River fishery from PCB accumulations. The PCBs did not harm fish populations but were carcinogenic, so the fish could not be safely eaten in large quantities-how large a quantity varied by species. Our task was to value the change in utility (for recreational anglers) caused by fish consumption advisories. Using conjoint analysis we measured how anglers traded off catch rates and consumption advisories for different species with fishing costs to determine how a change in the level of the advisories affected utility. My other primary projects at Stratus were benefit-cost evaluations of proposed Environmental Protection Agency rules.

After 6 years as an environmental economist I made a move back to Edmonton to be closer to family and to switch fields serving as an economic analyst for Alberta Health. There I enjoyed supporting the policy department through research on the cost of end-of-life care and the benefits of preventative health care. It was a very interesting job, but a fiancé drew me back to Boulder.

In Boulder, I was very fortunate to take a little twist in my career path and find my current position at National Research Center, Inc.. Here I use all the tools in my research belt for a wide variety of projects including: a secondary analysis to estimate the value of bike commuting (health and monetary outcomes), an assessment of a Child Welfare Mediation program introduced in the New Jersey Family Court system, a study of landowner participation and hunter use of a walk-in-hunting access program in Kansas, an evaluation of clickers as a teaching tool in the Boulder Valley School district, a survey of municipal water providers in Colorado to assess drought planning and preparedness, a survey of residents in

Tamil Nadu, India to determine their willingness to pay for and participate in a municipal water supply system, and a survey of residents of 5 cities in Afghanistan that are receiving assistance rebuilding infrastructure and governance capacity from the International City/County Management Association through funding by USAID

Alumni Please Drop Us a Line...

We thank Keiko, Ben, Dennis and Sonya 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 we may profile you in a future newsletter!

SPECIAL EVENTS

The 2008 Hanson Lecture

On February 4, 2008, the Department of Economics in conjunction with the Institute for Public Economics (<http://www.ualberta.ca/IPE/>) and the Faculty of Arts hosted the 14th Eric J Hanson Memorial Lecture. This year's event featured David Dodge, former Governor of the Bank of Canada (February 2001 to January 2008), who delivered the keynote lecture on "Monetary Policy 40 Years On." The talk provided a historical overview of the understanding and practice of monetary policy and how these have developed over the years.

After the lecture, David Dodge opened a symposium, chaired by Al O'Brien of the IPE, on monetary policy and its effects on the Canadian economy. The symposium focused on the impact of the Edmonton Manifesto -- which was delivered 20 years earlier as the 2nd Hanson lecture, by John Crow, then Governor of the Bank of Canada (1987 to 1994). In his Edmonton Manifesto, Crow advocated a policy shift away from controlling the exchange rate and towards maintaining a low and stable inflation rate. Such a policy shift took place at the Bank of Canada in the early 1990s.

Symposium participants included John Crow, John Helliwell of the University of British Columbia, David Laidler of the University of Western Ontario, and Lars Osberg of Dalhousie.

The full text of David Dodge's lecture and a video of the symposium are available on the Department of Economics website.

Conference in Honor of B. Curtis Eaton

Doug West both chaired the organizing committee for and presided over the Conference in honor of B. Curtis Eaton, held at Simon Fraser University's Harbour Centre campus in downtown Vancouver in early June. A group of over 50 economists attended this event which was sponsored by Industry Canada, CRA International, Pearson Education Canada, and the Economics Departments at the University of Calgary, Simon Fraser University, University of Alberta, and University of British Columbia. Among the 12 papers presented by former and current students, colleagues, and co-authors of Professor Eaton was a study by Andrew Eckert and Doug West on the evolution of Alberta's privatized liquor store industry. Andrew, Doug and Greg Dow (a former member of the Department of Economics at the University of Alberta who also presented a paper at the conference) are the editors for the conference papers, which are under review for possible publication as a book by the University of Toronto Press, entitled *Industrial Organization, Trade and Social Interaction: Essays in Honor of B. Curtis Eaton*.

Socio-Economics Conference in Trinidad, February, 2008

During Reading Week in February three professors in the Department and four of our graduate students attended the first "Socio-Economics conference" at the University of the West Indies campus in Trinidad. The conference was jointly sponsored by our Department and UWI. It is the first step in what is hoped to be an ongoing collaboration between the two universities. Student exchanges, joint research, and visits by professors are possible outcomes. There will be a second conference next year in Edmonton, though likely not in February.

Rick Szostak, David Ryan, and Beyza Ural were the three professors that attended. The students attending were Samson Amusan, Junaid Jahangir, Filip Ksiazkiewicz and Hande Tanerguclu. Rick's presentation drew on his forthcoming book "The Causes of Economic Growth: Interdisciplinary Perspectives" while Beyza's drew upon ongoing research on the connections between trade, institutions, and growth. Hande's presentation was based on her Master's research project that looks at issues related to total factor productivity.

David, Junaid, Filip and Samson each addressed some aspect of energy economics in their presentations. Specifically, David's presentation was on data issues and other factors involved in the study of energy efficiency in Canada's residential sector. Junaid talked about electricity market restructuring and its influence on prices. Filip looked at the impacts of Hurricanes Ivan and Katrina on wholesale

gasoline markets. And Samson gave a talk on the taxation and production of crude oil and natural gas in Alberta.

Trinidad has become a major oil producer in recent years and there is particular interest in Trinidad regarding the economic implications of oil production. The University of Alberta presentations each sparked several questions from the audience. In turn, we learned a great deal about Trinidad -- its oil sector, its foreign relations, its growing crime problems, its tourist trade -- in presentations by UWI faculty and students.

Our hosts took very good care of the University of Alberta delegation. We were hosted at a reception in the President's house (a wonderful old plantation building) and given a tour of Port-of-Spain. We also managed to spend a couple of hours at a gorgeous beach on the north coast of the island, and a bit of time in the lush countryside. The entire delegation is ready to return.

First International Workshop on Empirical Methods in Energy Economics (Zurich, Aug 29-30, 2008)

Three of our graduate students traveled to Zurich at the end of the summer to participate in the First Workshop on Empirical Methods in Energy Economics at the Eidgenössische Technische Hochschule (ETH) in Zurich, Switzerland. Junaid Jahangir presented a paper based on his doctoral research on the effects of restructuring on electricity prices in Alberta. Master's student Mark Maxson was the discussant for a paper that looked at similar issues to some of the work he has done as a CBEEDAC researcher on the impacts of home energy audits. Ning Zheng, who has plans to undertake research related to energy efficiency for her Master's project, had the opportunity to get an overview of many of the issues and approaches being pursued in current energy research. Two faculty members, David Ryan and Denise Young, also attended and presented papers based on their CBEEDAC research.

While in the city, conference participants were taken on a tour that ventured into some of the more unusual features of the 'old city'. After the conference, they were able to enjoy a hike in the Swiss Alps on a pleasant, but foggy, day.

The Department of Economics and CBEEDAC are now making plans for the 2nd Annual workshop which will be held in Alberta next summer.

KUDOS

Honorary Degree for one of our own!

The 'Students in the World' section of one of our recent newsletters included a contribution from Al O'Brien, who graduated from the University of Alberta with an Honors BA in 1964 and an MA in Economics in 1969. This past year, he was awarded one more degree by the University of Alberta: an Honorary LL.D. in recognition of a lifetime of service to our province. This service includes a 35 year career in the Alberta Public Service, where he was Deputy Provincial Treasurer when he retired in 1999. Among other contributions, he has also served the University community as Acting Vice-President of Finance from November 2000 to May 2002 and as a Fellow of the Institute for Public Economics. Please join us in offering our congratulations to Dr. O'Brien.

Debate Society World Championships

Congratulations to economics students Julia Lisztwan, Alan Cliff, Chris Jones, and Brendan Campbell for their contribution to the performance of the University of Alberta Debating Society at the world championships held in British Columbia. The Debating Society finished the competition ranked 8th, ahead of universities that included Harvard, Princeton, McGill and Stanford. They were the second-ranked Canadian team and are now ranked 20th overall in the world.

Research Awards

Two major research awards were bestowed on department faculty members and former graduate students. Robin Lindsey received the Faculty of Arts Research Excellence Award for Full Professor. Stuart Landon and Mel McMillan, Vijay Muraldhiran, and Mark Parsons received the *John Vanderkamp Prize* for the year's best paper in *Canadian Public Policy*.

Teaching Award

Once again, Gordon Lee has been recognized for his excellence in teaching. This time around, he received an award from the Faculty of Engineering for his teaching efforts in Econ 204 (Principles of Economics).

IAEE President

In addition to providing leadership as Chair of the Department of Economics, André Plourde also served as president of the International Association for Energy Economics in 2007.

RESEARCH ACTIVITIES

FACULTY PUBLICATIONS (Selected from staff annual reports for academic year 2006-2007)

Boothe, P.M., “The Federal Discussion Paper: Road Map to a First Ministers’ Conference”. *Policy Options* (Sept. 2006).

Boothe, P.M., “Turning a New Leaf: The Federal Strategy for Fiscal Arrangements Reform”. C. Beach and T. Wilson (eds) *The 2006 Federal Budget*, John Deutsch Institute (2007)

Brenčič, V., “Employer’s Search Prior to Exhaustion of Advance Notice Period”. *Economic Letters*, Vol. 94, No. 2 (2007)

Dahlby, B.G., “The Marginal Cost of Public Funds for Excise Taxes in Thailand”. (with W. Chandoevrit), *eJournal of Tax Research*, Vol. 5, No. 1 (2006)

Eckert, A., “Environmental Liability in Transboundary Harms: Law and Forum Choice”. (with R.T. Smith and H. van Egteren), *Journal of Law Economics and Organization*, Vol. 24, Nov. 2 (Fall, 2008)

Eckert, H., “Public Complaints and Alberta’s Environmental Regulation”. *Journal of Economic Analysis and Policy: Topics* (Berkeley Press), Vol. 6, No. 1 (2006)

Feeny, D., “Study of Observed and Self-Reported HRQL in Older Frail Elderly Adults Finds Group-Level Congruence and Individual-Level Differences”, (with W. Wodchis, C. Maxwell, A. Venturini, J. Walker, J. Zhang and D. Hogan), *Journal of Clinical Epidemiology*, Vol. 60, No. 5 (May 2007)

Feeny, D., “Knowledge of Risk Factors for Falling Reported by Patients with Parkinson Disease”, (with C. Wiens, B. Gordon, and C. Jones), *Journal of Neuroscience Nursing*, (Dec 2007)

Feeny, D., “Assessing Differences in Utility Scores: A Comparison of Four Widely Used Preference-based Instruments”, (with H. Wee, D. Machin, W.C. Loke, S. Li, Y. Cheung, K. Fong and J. Thumboo), *Value in Health*, Vol. 10, No. 4 (2007)

Galvani, V., “Underlying Assets for Which Options Complete the Market”, *Finance Research Letters*, (4), (July 2006)

Galvani, V., “A Note on Spanning With Options”, *Mathematical Social Sciences*, (accepted Mar 2007)

Landon, S.K., “Government Debt Spillovers in a Monetary Union”, (co-author C. Smith), *North American Journal of Economics and Finance*, Vol. 18, No. 2, (May 2007)

Landon, S.K., “The Exchange Rate and Machinery and Equipment Imports: Identifying the Impact of Import Source and Export Destination Country Currency Valuation Changes”. (co-author C. Smith), *North American Journal of Economics and Finance*, Vol. 18, No. 1 (Aug 2006)

Landon, S.K., “Seasonality in Canadian Bond Returns: The Role of International Factors”, (co-author C. Smith), *Canadian Journal of Administrative Sciences*, Vol. 23, No. 4 (2006)

Lindsey, R., “Maintenance, service, quality and congestion pricing with competing roads”, (with A. de Palma and M. Kilani), *Transportation Research*, Vol. 41B(5), (2007)

Lindsey, R., “Investment and the use of tax and toll revenues in the transport sector: The research agenda”. (with A. de Palma and S. Proost), *Investment and the Use of Tax and Toll Revenues in the Transport Sector, Research in Transportation Economics*, (eds A. de Palma, R. Lindsey and S. Proost), Vol. 19 (Mar 2007)

Lindsey, R., “Comparing alternative pricing and revenue use strategies with the MOLINO model”. (with A. de Palma, S. Proost and S. Van der Loo), *Investment and the Use of Tax and Toll Revenues in the Transport Sector, Research in Transportation Economics*, (eds A. de Palma, R. Lindsey and S. Proost), Vol. 19 (2007)

McMillan, M.L., “Intergovernmental Transfers and Rural Local Governments”, *The Theory and Practice of Intergovernmental Grants*, The World Bank, (eds R. Boadway and A. Shah), (2007)

Plourde, A., “Offshore Energy Revenues and Equalization: Having Your Cake and Eating It Too?”, *How Ottawa Spends 2006-2007 – In from the Cold The Tory Rise and Liberal Demise*, (B. Doern, ed), (2006)

Ryan, D., “Conditional Demand Analysis Revisited: Evaluating Residential End-Use Energy Consumption in Canada”, *Energy in a World of Changing Costs and Technologies*, Proc. of the 26th United States Assoc. for Energy Economics/ International Assoc. for Energy Economics North American Conference (2006)

Ryan, D., “The Effect on Consumers of Electricity Market Restructuring in Alberta, Canada”, *From Restructuring to Sustainability: Energy Policies for the 21st Century*, Proc. of the 30th Conference of the International Assoc. for Energy Economics (2007)

Ryan, D., “Utilization of Residential Energy-Saving Retrofit Programs in Canada: Who, What, and Why”, (with S. Gamtessa), *Energy Markets and Sustainability in a Larger Europe*, Proc. of the 9th European Conf of the International Assoc. for Energy Economics (2007)

Smith, C.E., “Editor’s Introduction”, *Canadian Perspectives on US Policy: Essays from a US Policy Research Workshop*, Institute for US Policy Studies (2007)

Smith, R.T., “Inflation, Investment, and Economic Performance: The Role of Internal Financing”, (with H. van Egteren), *European Economic Review*, Vol. 49 (2005)

Szostak, R., “Allocating Property rights Over Shoreline: Institutional Change in the Newfoundland Fishery”, (joint with Ken Norrie), *Newfoundland and Labrador Studies*, (2005)

Szostak, R., “Classification, Inter-disciplinarity, and the Study of Science”, *Journal of Documentation*, Vol. 64:3, 2008

Szostak, R., “Interdisciplinarity and the Classification of Scholarly Documents by Phenomena, Theories, and Methods”, *Interdisciplinarity and Transdisciplinarity in the Organization of Scientific Knowledge: Actas del VIII Congreso ISKO-Espana*, (Jan 2007)

van Egteren, H., “Environmental Liability in Transboundary Harms: Law and Forum Choice”, (with A. Eckert and R.T. Smith), *Journal of Law Economics and Organization*, Vol. 24, No. 2, (Fall 2008)

Wilson, S., “Macro Formulas for Equalization”, *Intergovernmental Fiscal Transfers Principles and Practice*, (eds R. Boadway and A. Shah), The World Bank (2007)

Wu, H., “Entry Barriers and Markup Ratios: Evidence from OECD Countries”, *Applied Economics Letters*, (accepted Sept 2006)

Wu, H., “Wavelet Estimation of Time Series Regression with Long Memory Processes”, *Economics Bulletin*, (accepted Dec 2006)

Xu, Y., “Lessons from Taiwan’s Experience of Currency Appreciation”, *China Economic Review*, (accepted Dec 2006)

Xu, Y., “Financing of Private Enterprises and Deepening Financial Reform”, *Private Enterprises and China’s Economic Development*, (eds S. Lin and X. Zhu), (2007)

Young, D., “The potential for energy efficiency gains in the Canadian commercial building sector: A stochastic frontier study”, (with D. Buck), *Energy*, Vol. 32, (2007)

PROFESSIONAL AND PUBLIC ACTIVITIES (Selected from staff annual reports for academic year 2006-2007)

Boothe, P.M.: Member, Advisory Board, Queen’s Institute of Intergovernmental Relations; Member Advisory Board, John Deutsch Institute for Economic Policy

Dahlby, B.G.: Member, Editorial Board, Canadian Tax Journal; Member, Editorial Advisory Board, Fraser Institute; Member, National Statistics Council

Feeny, D.: Member, Editorial Board, International Journal of Technology Assessment in Health Care; Associate Editor (Utilities), Quality of Life Research (2006-present); Member, Advisory Board, Quality of Life Research; Member, Editorial Board, Medical Decision Making (2002-present)

Landeo, C.: Visiting Scholar of Law and Economics, Kellogg School of Management, Northwestern University (Feb-May, 2007); Visiting Scholar of Economics, Centrum Business School, Catholic University of Peru (Jan 2007)

Lindsey, R.: Member, Editorial Board, Papers in Regional Science (2005-2009); Editorial Advisory Board Transportation Research Part B (2003-present); Associate Editor, Transportmetrica (2003-present)

McMillan, M.L.: Appeared before the Alberta Energy and Utilities Board as an expert witness on the impact of oil and gas facilities on residential property values (Jan 2007); Member, Board of Directors, Van Horne Institute; Member, Advisory Council, Canada West Foundation's Western Cities Urban Finance Project (2000-present)

Plourde, A.: President, International Association for Energy Economics (Jan 2007-present); Member, Energy Aggregation Advisory Committee, Alberta Urban Municipalities Association (July 2005-Sept 2006); Member, Alberta Royalty Review Panel, Department of Finance, Government of Alberta (February 2007)

Ryan, D.: Director, Canadian Building End-Use Data and Analysis Centre (2002-present)

Szostak, R.: Visiting Fellow, Department of History and Civilization, European University Institute, Florence (Sept 2000-June 2007)

West, D.S.: Non-Governmental Advisor, International Competition Network Unilateral Working Group

FACULTY GRANTS (Selected from staff annual reports for academics year 2006-2007)

Eckert, A.: SSHRC, co-applicant with D.S. West (2006-2009)

Eckert, H.: SSHRC (2003-2008)

Feeny, D.: National Institute of Aging, co-applicant (2006-2008); Oregon Clinical and Translational Research Institute, PI, (2007-2008)

Fung, P.: Statistics Canada Post-Doctoral Program (2006-2007); SSHRC, co-applicant (2007-2010)

Galvani, V.: Killam Research Fund (2005-2007)

McMillan, M.L.: Provincial and Territorial Municipal Association, co-applicant (2006-2007)

Ryan, D.: Government of Canada, Department of Natural Resources (2006-2007)

Smith, R.T.: University of Alberta SSHRC 4A (2005-2007)

Szostak, R.: SSHRC (2005-2008)

West, D.S.: SSHRC, co-applicant with A. Eckert (2006-2009); Killam Research Fund (2006)

Young, D.: SSHRC, collaborator (2005-2007)

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

This past year marked the 6th year of operation for CBEEDAC (pronounced CEE-BEE-DACK) here at the University of Alberta. Funded by Natural Resources Canada and under the direction of David Ryan, CBEEDAC houses data and undertakes research on a variety of topics related to energy use in the commercial and residential sectors.

Several students were hired by CBEEDAC last year to help with this research. Mark Maxson, Michael Fabiyi, and James Lin worked on identification of so called “green” households in energy use survey data, and conducted preliminary analysis of the energy-consumption behaviour of these households. Matthew Hansen provided extensive assistance with a thorough review, categorization, and preliminary estimation of energy demand models that contributed to a research paper on this topic. In addition, Mark Maxson delved into (and from his view, for probably much too long) the intricacies of the EnerGuide for Houses database, which contains information on energy-using characteristics of houses whose owners completed one or more home energy audits. Mark’s assistance with both empirical and modelling issues have already helped in the completion of a conference paper and, despite his departure, will continue to be felt in ongoing CBEEDAC projects that utilize this database.

Four research reports were prepared for Natural Resources Canada. A project undertaken by David Ryan and André Plourde explains energy demand models and modelling in the context of the historical evolution of the approaches that have been used. The study emphasizes model development and specification, with examples that illustrate the different approaches, explain the types of information each yields, and outline how they differ and their advantages and disadvantages. Another study by David Ryan uses information from the 2003 Survey of Household Energy Use (SHEU) to identify ‘energy aware’ households and examine their energy consumption behaviour relative to other households. David Ryan and Denise Young prepared a report that provides an overview of empirical microeconomic

approaches that can be used to evaluate the extent to which new energy-efficient technologies might reasonably be expected to have an effect on energy consumption. The report includes many examples drawn from previous and current CBEEDAC research projects. Finally, Vera Brenčič and Denise Young conducted a study of the impacts of the use of time-saving appliances such as microwave ovens, self-cleaning stoves and automatic washers and dryers on the demand for energy by Canadian households.

During the last year, papers based on these CBEEDAC research reports and other on-going projects were presented at conferences in Switzerland, Trinidad, Turkey and the U.S.

CBEEDAC also continued as a sponsor of the CBEEDAC/CABREE applied workshop series, here at the University of Alberta, which focuses largely on energy policy issues. Presenters over this past year included André Plourde who discussed Alberta's recent Royalty Review, and Sjak Smulders, of the Institute for Sustainable Energy, Environment and Economy (ISEEE), University of Calgary who presented a paper on "Fueling growth when oil peaks: growth, energy supply and directed technological change."

If you wish to obtain more information about CBEEDAC, or to receive CBEEDAC's tri-annual newsletter, please send an e-mail to 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 2008 Scholarship and Prizewinners:

- W. Alausa – Provost Doctoral Entrance Award. Value: \$8,000
- R. M. White – City of Edmonton Graduate Scholarship. Value \$7,000
- A. Cagdas – AD O'Brien Graduate Scholarship in Public Finance. Value: \$5,900
- A. Behnamian – John Garrett Graduate Scholarship in United States Studies. Value: \$5,300

- W. Xu – Maurice, Mary and Max Stewart Graduate Scholarship in Economics. Value: \$5,000
- Z. Li – Provost Doctoral Entrance Award. Value: \$4,409
- R.M. White – Provost Doctoral Entrance Award. Value: \$4,409
- J. Fisher – Dr. Milton F Bauer Memorial Scholarship. Value: \$1,750
- F. Hossack – Economics Society of Northern Alberta Scholarship. Value: \$1,500
- S. Gamtessa – J. Gordin Kaplan Graduate Award. Value: \$800
- J. Fisher – KD Verville and DM Lowtan Scholarship for Academic Excellence. Value: \$500
- D. Peterson – Dr. Manmohan Singh Prize in Economics. Value: \$500
- V. Gallardo – Core Prize in Economics. Value: \$500
- M. Inglis – Research Prize in Economics. Value \$500
- A. Cliff – Duncan Alexander MacGibbon Medal in Economics. Value: \$100

STUDENT PROGRAM INFORMATION

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

Graduate Convocations July 1-98 to Jul 1-08					
	Fall		Spring		
Year	MA	PhD	MA	PhD	Total
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
1998-99	5	2	3	0	10

Undergraduate Convocations July 1-98 to Jul 1-08			
Year	Fall	Spring	Total
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
1998-99	3	34	37

Ten-Year History of Majors and Honors			
Year	# of Majors	# of Honors	# of Registrations
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
1997-98	238	11	5250

CONVOICATIONS

MA degrees conferred: Spring 2008

CAGDAS, A.: *How Does World Natural Gas Rig Activity React to Natural Gas Price Changes?*

CHEN, Y.: *An Empirical Investigation of the Effects of Public Expenditures and Taxes on Subjective Well-Being in Canada*

DOGAN, D.: *Housing Price Dynamics in Canadian Metropolitan Housing Markets*

FABIYI, M.: *The Union Wage Premium in Canada: Evidence from the 2002 Labour Force Survey*

INGLIS, M.: *Crude Formula Pricing and the Bitumen Valuation Problem*

JASPER, C.: *Determinants of Crime in Canada: A Province-Level Analysis, 1986-2000*

KOROGONAS, P.: *Currency in Peril, A Case in Argentina*

KSIAZKIEWICZ, F.: *Examining the Effects of Hurricane Katrina and Hurricane Ivan on US Wholesale Gasoline Prices*

LI, H.: *Does a Natural Resource Curse Exist?*

NICHOLS, M.: *Investigating Dutch Disease in Canada and Alberta: A Descriptive and Empirical Analysis*

SONG, Y.: *Does Trade or Technological Change “Hurt” Unskilled Labor and the US Labor Market? Evidence from Theoretical Derivations and Empirical Estimations*

WAKOOLI, M.: *Does the Labour Market Discount the Foreign Education Credentials of Immigrants? Wage Differentials Between Immigrants and Native-Born Workers in Canada*

ZHANG, C.: *The Predictive Power of the Term Premium in Relation to Real Economic Growth in Canada*

ZUO, Y.J.: *The Impact of Unionization Threat on Non-Union Wage Rates in Canada*

Fall 2008

DAMANI, I.: *Diversification Benefits in the Canadian and American Federal Government Bond Market*

GUBANOVA, T.: *Hypothetical Bias and Choice Complexity Effects in a No-Free-Riding Public Contribution Game*

HANSEN, M.: *Energy Price Volatility and Asymmetric Energy Demand Response: An Exploratory Empirical Analysis*

TANERGUCLU, H.: *Total Factor Productivity: The Residual After ‘All’*

WHITE, R. M.: *Real Time Profitability of the Sharpe Ratio Maximizing Strategy*

WINDHORST, A.: *An Economic Analysis of the Mackenzie Valley Highway*

**MA in Economics and Finance degrees conferred:
Spring 2008**

WAYE, A.: *Sustainable Development and Mining – An Exploratory Examination of the Rules of Government and Industry*

**PhD in Public Economics
Fall 2008**

NEKHAYEVSKA, I.: *Strategic Use of Expanded Municipal Tax Bases*

THANKS

Donations may be designated for a particular purpose (e.g., to support the A.D. O'Brien Graduate Scholarship in Public Finance or the Balder von Hohenbalken Memorial Book Prize in Economics), or to provide general support to the Department (i.e., the Education Endowment Fund for Economics). For alumni who would like to contribute to the Education Endowment Fund for Economics, you may send your donation to the Development Office of the University of Alberta, 6th Floor General Services Building, Edmonton, AB T6G 2H1. For information about undergraduate awards available to students majoring in Economics, visit <http://www.uofaweb.ualberta.ca/economics>.

For further information please contact:

Louise Whyte Phone 780-492-4417

Email louise.whyte@ualberta.ca

VISIT OUR WEB SITE

For those of you who visit us via our web site, you will have noticed that it has a new look. Among the faces that you may see upon loading the main page (<http://www.economics.ualberta.ca/>) are those of Nora Amu and Micah Brown. Nora is a Ghanaian who is currently in her 4th year of her PhD program, working on a thesis in the area of municipal financing with a focus on property taxes and competition. Before coming to the University of Alberta, she studied at the University of Ghana for both her undergraduate and master's degrees in Economics. She taught at the University of Ghana for 4 years (2001 to 2005) and has also had the opportunity to teach ECON 341 and ECON 101 here at the University of Alberta. Upon completion of her doctoral studies, she hopes to return to Ghana to teach and continue her research. Micah is studying towards his B.A. in our honours program.

Thanks to Brenda Carrier for all of the work that has been put into revamping our web site and keeping it up to date. Visitors to the site should now find it even easier to navigate our pages and find any information that they might need.