

# EconMatters

## Introduction from Chair

This issue of EconMatters is packed with diverse entries. We are fortunate to have an energetic and thoughtful student society, DUESA: their beautifully illustrated entry gives a glimpse of the activities they organize. Connor Beer (2017, BSc. Honours in Economics) tells his fascinating story about learning how to conduct research, benefitting from it beyond a particular course, and now expanding this research in policy making. David Pringle (1996, BA Honours in Economics and IDS), in his warmly written piece, recounts how two Dalhousie professors, both now deceased, have shaped his thinking of economic issues and problems. Methodological disagreements are not unique to economics, and David's piece reminds us that sometimes both sides may have something useful to offer. Ian McAllister has touched the lives of many students at Dalhousie and beyond. He was awarded an honorary degree by Dalhousie University in Spring 2015. His convocation speech is tremendously inspiring. Ian articulates the convictions of many of our faculty who believe that universities are not defined as institutions which simply balance their financial books and indoctrinate their students with shallow paradigms of self-interest and cut-throat individualism.

## Alumni Profiles

### Conor Beer (BSc with Honours 2017)

My name is Conor Beer, and I graduated from Dalhousie in 2017 with a BSc. Hons in Economics. During my third year at Dal, I took Econometrics as an honours program requirement. It was a difficult class that took up a lot of my time, but it was also an enjoyable experience because it was my first introduction to self-guided research. I found that learning how statistics are applied to answer practical questions in economics gave me a far deeper understanding of the field, and helped me experience what economists really do.

For our final Econometrics assignment, we were instructed to find data, and use econometric methods to test a hypothesis. While there were pre-assigned topics, students were free to come up with their own hypothesis as well. When selecting a topic, I decided that I wanted to study something topical, with implications for public policy. At the time of the assignment, Justin Trudeau had campaigned on legalizing marijuana for recreational use just months before, and the potential policy choices were an area of heated public discussion, so I decided to write my paper on the potential labour market effects of marijuana legalization using data from the Canadian Community Health Survey (CCHS).

That choice of topic turned out to be one of the better ones I've made: first, after completing the paper, I was awarded the Anonymous Prize for independent research by the Department of Economics. Naturally, when I was applying for a post-graduation internship in the Ontario Public Service, I listed this prize on my resume. Coincidentally, the Ministry of the Attorney General was looking for a Policy Intern to join their team tasked with identifying policy recommendations for Ontario's approach to marijuana legalization, and eventually selected me as the successful candidate.



This internship was a fantastic experience— it allowed me to continue on with research that I had begun as an undergrad, and gave me a first-hand look at what the government policymaking process looks like, working with a diverse group of policy professionals, researchers and lawyers. It also led to a full-time position after the summer with the Ministry.

Studying Economics can teach you a lot of things— how to think critically, express your thoughts concisely, and conduct independent research. I think the most important thing for an Economics student to remember, though, is to seek out topics within the field that interest you, and try to research questions that you want to know the answer to. In my experience, going outside of the standard economic models and trying to apply what you've learned to in a unique way can lead to a lot of opportunities.

## David Pringle (BA with Honours 1996)

My name is David Pringle and I graduated BA (Honours Economics and IDS) in 1996 from Dalhousie. Currently I am a senior economist at the federal Department of Finance, the chair of the Progressive Economics Forum and I teach labour economics at Carleton University.



In the wake of the 2008 Great Recession, Nobel laureate Paul Krugman wrote that much of the macroeconomics of the past thirty years was “spectacularly useless at best, and positively harmful at worst”. I was intrigued by his assertion, for it was during these thirty years I was taught macroeconomics. In fact, I’ve wondered about Krugman’s assertion ever since my final undergrad year at Dalhousie in 1995-1996 when I took advanced macroeconomic theory by the late John Cornwall and advanced microeconomic theory by the late Erwin Klein. The two distinct views on economic method conveyed in these courses left me more puzzled than assured.

John Cornwall’s macroeconomics was not organized around explaining the latest formal macro models about short-run fluctuations, be they New Classical, Real Business Cycle or New Keynesian, models I would later study in grad school. Instead, he taught us about the fate of Western economies faced with slowing long-term economic and employment growth, a development of the stagflationary 1970s. John did this by presenting us with a system of empirically-grounded models. While his system did not have the elegant parsimony of the rival Solow growth model, it did hang together in such a way as to be persuasive, especially in explaining the divergent growth histories of Britain and Japan in the post-war period. John was also careful to recognize institutions and policy in explaining variations in performance across economies. While he never identified himself as such, I would later discover John’s affiliation with Post-Keynesian economics.

Come January, with Cornwall’s macro still fresh in my mind, I began Erwin Klein’s microeconomics. This involved a radical shift in method. Using set theory and topology, Erwin guided us through the meticulous logical construction of an abstract economy, the famous Arrow-Debreu model of competitive equilibrium. The approach was axiomatic and ahistorical, an exercise of pure thought with little reference to empirical facts. The kinked demand curves and consumer attribute theory of intermediate micro were conspicuously absent. Erwin’s micro was rooted in the mathematical economics movement inspired by 19th French economist Léon Walras. What the approach lacked in realism, it made up for in precision.

While Erwin did not elaborate much on the intentions of this Walrsian research program, I would later learn that the Arrow-Debreu model would serve as the micro foundations in several new macro models. Ironically, these models, such as the Real Business Cycle variety, were created in response to the shortcomings of conventional Keynesian models to explain the stagflationary 1970s, with one of the charges being that these older models lacked sufficient micro foundations. For it is these new macro models that Krugman criticized in 2009! However, these are not the models that Cornwall taught, which display a wholly different approach to construction.

Since the financial crisis, there is evidence that the discipline has started to rethink its approach to both micro and macro. For example, the view that there are no other alternative micro foundations for macroeconomics has been undermined by developments in the new field of behavioral economics, which have overturned fundamental assumptions about human behavior.

Back to Dalhousie, one of my regrets is that I never engaged these two professors on their different approaches to economic method. Sadly, I cannot now, leaving spectres of solitude to haunt the third floors of Maxwell House. However, the addition of a methods course to the undergraduate curriculum, similar to what is found in other departments, would go a long way to provide students with a formal guide to better understand why economists do the things they do, like comparing the long-term post-war growth rates of European economies or demonstrating that a competitive equilibrium is Pareto optimal. That said, I am very fortunate to have had this experience with diverse methods in Dalhousie's economics program, something that was noticeably lacking in my later graduate studies. The encounter with Cornwall and Klein has shaped my thinking ever since.

## DUESA's Activities

The Dalhousie University Economics Students Association (DUESA) organizes social and educational events throughout the year for graduate students and members of the Economics Department at Dalhousie University. Events are held both on campus (Board-games night, Halloween celebration etc.) and off campus (Skating @ the Oval etc.). Here's a glimpse at the events held recently...

# DUESA



### Next Up:

Early March

Mid March

End of March

Board Game Night

End of Year Gala

Annual General Meeting



Hello!

We are the executive team of the Econ Society. Through our various social events, we aim to connect students beyond the classroom and into Halifax culture. We are so thankful to be supported by the Faculty of Economics. Please enjoy a selection of photos from our events this year!

Lots of love,  
Econ Society Exec Team



## Convocation Speech at Spring 2015

"From those to whom much has been given – much is expected."

Ian McAllister  
27 May 2015

It is a huge privilege to be invited to your convocation this afternoon and this afternoon and ... to join with your families and friends (both from Canada and from far distant nations) in congratulating you on your graduation ... Among your many supporters in this gathering, you can no doubt recognize particular teachers and administrators who will have served as mentors when you were perhaps doubting your future directions ... and who may have inspired you to explore new ideas or to venture into somewhat uncharted waters ... be they along the coasts of Atlantic Canada, be they in fields of research ... or on university programs in cooperation with the Gambia or Cuba, or China, or Belgium, or Peru ... or where so ever ...

Many sacrifices will have been made to help you reach this day ... Sacrifices by yourselves ... of time that could have been spent with families and friends in your home towns in Canada or overseas, of time that could have been used to build a company to earn money (perhaps a Tim Hortons of the future), or maybe to write that novel you one day plan to spring on an unsuspecting public ... And then there will have been the sacrifices made by your families – be they through financial support for your studies, or be they of simply missing your company – especially when it was time to shovel that snow, or to mow the lawn, or to help a younger brother or sister ... And then, of course, there have been the sacrifices of the taxpayers – perhaps quite grudgingly given – of resources that could have otherwise been allocated for local community services, or for revamping some farm

support programs (no, I won't talk about ferries) ... or for foreign aid donations for children in the refugee camps of Somalia, or Syria or Indonesia ... Which takes me to the one 'quotation' that I will inflict on you today: "From those to whom much has been given – much is expected."

That remark has revisited me many times over many years. I first recollect hearing it (or words to that effect) at some high school event. The speaker was Bernard Law Montgomery, better known in history as Field Marshall Montgomery of El Alamein, Churchill's war-time general. Montgomery had emphasized to us kids that we were of a very privileged generation ... We had been enabled to complete our schooling without extreme disruptions ... We had been too young to have had to fight in the horrors of the Second World War ... We were inheriting a relatively peaceful world ... But, he had warned, that peace was very vulnerable. It was threatened by extremes – underpinned by poverty, greed and rigid ideologies ... Already the so called iron curtain was being defined and the Berlin Wall assembled ...

"From those to whom much has been given – much is expected." Yes, of course, today is a day to celebrate. You are graduating and that is the purpose of this convocation ... But it is also a time for reckoning ... a day to recognize challenges ahead ... Even the most diplomatic among us would have to confess that my generation has fallen far short of Montgomery's challenge ... Millions today are stranded in refugee camps ... often existing in the most appalling of conditions ... The gaps (chasms is a better word) between wealth and poverty are widening still further in country after country and in region after region ... nor is Canada or this beautiful province of Nova Scotia exempt ... There are huge and growing inequities – not least within many of our leading towns and institutions ... Unemployment haunts the lives of so many ... Socially meaningful employment evades the radars of yet more ... Just go into your nearest shopping mall and look on the store shelves (often of made-in-China or made-in-Bangladesh products) and ask yourselves 'How much job satisfaction was gained by those toiling to manufacture this or that article? What is it really adding of genuine benefit to any consumer? Could that labour not have been used for far more socially important purposes – for ensuring small villages had access to clean water or to community schools and teachers?

In today's Canadian political and industrial environment, the insights to be gleaned from openly sharing the findings and ideas from some key social and physical sciences appear under threat ... mindlessly disregarded not just by those deprived of the quality of privileged education as has been enjoyed by the likes of yourselves, but allegedly by certain political and business leaders who surely should know better, should know far better ...

The world you are embarking on, for your next phases of adventure, is a place of great uncertainties ... of outrageously huge inequities ... Among you will hopefully be numbered some of Canada's and other nations' political leaders of the future ... as well, of course, as leaders in many other fields. When you first came to Dalhousie, you possibly thought you were going to graduate into being some kind of an 'expert' ... But today you are probably feeling a bit daunted ... [Certainly I did when I first graduated and, if it is any consolation, the going got tougher not easier!] Many much-touted 'concepts' linked to one's particular disciplines, as for example (in Economics) Gross National Product, or alleged 'principles' (as, again from Economics) the so-called principle of 'Comparative Advantage' -- are actually as slippery as the eels in the Bay of Fundy when it comes to their practical applications ... Yet hopefully, not least if you plan to become a politician, you will have learned at Dalhousie the value of asking searching questions ... of being dubious about over-confident assertions ... of not pretending you know something when you do not ... and of always seeking the bigger picture and not getting fobbed off with unhinged minutiae ... Enough from me. You will be wanting to celebrate your hard-earned achievements. If apart from the initial refrain I can pass along three suggestions, what might these be?

[1] Do not lose your sense of idealism. The world needs more cynics like a hole in the head! You really can make a difference.

[2] Never accept the 'status quo' as an acceptable parameter. Think outside the box – and that often means across disciplines and across cultures and across national boundaries.

[3] Build into whatever jobs you take on a self-defined mandate that encourages original ideas. You are the leaders of the future – not the camp followers ... Among key values that your years at Dalhousie might hopefully have reinforced will be a sense of moral integrity, of personal responsibility for the welfare of those less fortunate, and a genuine 'can-do' attitude. The world is in a serious mess. You must now do much better than your previous generation. "From you, to whom much has been given, much more is now urgently expected." Thank you for your patience, congratulations, and very best wishes as you move on from here ...

## Alumni News

Our Alumni, Katherine Ryan has won "The Herbert G. Grubel Award" for the highest CGPA in SFU Master's program for 2016.

Jonathan Simms, one of our alumni and a long time Instructor with the department has been named as "President of the Kiwanis Club of Dartmouth". The Kiwanis organization is a service that supports children and young adults.

Alumni David Wishart has recently launched his debut book in Toronto titled "We follow the Dying Light".

## Awards & Recognition

Barry Lesser has been appointed as Professor Emeritus in the Department of Economics effective January 1, 2018. This is a well-deserved recognition of Barry's outstanding service to the Department and Dalhousie University.

Melvin Cross is Chairperson of the Committee to Select the Joseph J. Spengler Best Book Prize. The Spengler Prize is awarded by the History of Economics Society for the best book on the history of economics published in English during the three calendar years prior to the HES conference in which the prize is awarded. The committee receives nominations from publishers, authors, and members of the History of Economics Society. The society will hold its annual conference at the Loyola University Water Tower Campus, Chicago, June 14-17, 2018.

Mallory Ross, MDE student, has received the Best Presentation Award at the Afternoon Session of the 9th Annual Acadia Student Conference. She presented her ECON 3338 Econometrics term paper titled "The Psychological Distress of Indigenous Peoples in Canada Linked to Educational Attainment: A Regression Analysis of Gender Differences".

## Upcoming Events

Economics Seminars are generally held in Mona Campbell Building, Room 1108 from 2:30 pm– 4:00 pm on Friday afternoons.

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