



Lakehead
UNIVERSITY

Economics 3319 WED
Online Via MyCourseLink/D2L
Canadian Economic History

Instructor: TBD/Winter 2023
Office: TBA e-mail: Via D2L mailer

A. Summary

The course surveys the economic history of the Canadian economy from the colonial/settlement era to approximately the end of the Second World War representing the economic foundations of modern Canada. Economic analysis is used to explain the pace and pattern of Canadian economic development. In particular, this course examines Canada's transition from a primarily natural resource economy to a manufacturing economy. The course aims to impart both knowledge of Canada's economic past, a theoretical framework to interpret it and an understanding of the methods and techniques used to study the economic past. This is a self-directed online reading and research course offered via MyCourseLink/D2L. There is certainly a lot to read and you are strongly encouraged to make a habit of reading every week. You are not required to read everything on the list as much of it refers to books that are only available if you have access to a university library or other e-book repository. Key readings are provided in each module on D2L and you should aim to review several of those each week along with course slides provided.

B. Resources

Suggested Texts

There is no "required" text for this course as it will be primarily article based with the articles provided via D2L. If you are interested in a "text" to provide overview and framework, you could borrow or purchase a second-hand copy of either the Norrie, Owsram & Emery book or the Pomfret book. Both are readable surveys of Canadian economic history. Some of these suggested books are available online via the Lakehead University library.

Norrie, Ken, Douglas Owsram and J.C. Herb Emery (2008) A History of the Canadian Economy, 4th edition, Toronto, Thomson-Nelson.

Cameron, Rondo A Concise Economic History of the World: From Paleolithic times to the Present. 3rd edition. Oxford Press, 1997.

Cipolla, Carlo M. Between Two Cultures An Introduction to Economic History, W.W. Norton, 1992.

Di Matteo, L. (2017) A Federal Fiscal History: Canada, 1867-2017. Fraser Institute. Easterbrook, W.T. and H.G.J. Aitken, Canadian Economic History, University of Toronto Press, 1988.

Easterbrook, W.T. and M.H. Watkins eds. Approaches to Canadian Economic History, Carleton

Library No. 3I, 1988.

Laxer, Gordon ed. Perspectives on Canadian Economic Development, Oxford University Press, 1991.

Marr, William L. and Donald G. Paterson, Canada: An Economic History, Gage, 1980. McCalla, D. and M. Huberman eds. Perspectives on Canadian Economic History 2nd Edition, Copp-Clark Longman, 1994.

Pomfret, R. *The Economic Development of Canada 2nd edition, Nelson, 1993.*

Urquhart, M.C. Gross National Product, Canada, 1870-1926: Derivation of the Estimates. McGill Queen's Press, 1993.

Watkins, M.H. and H.M. Grant, eds. Canadian Economic History: Classic and Contemporary Approaches, Carleton University Press, 1993.

C. Course Requirements (for due dates see Section F: Learning Schedule)

Research Essay (1) - 40% - Due Date: TBA. Essay Assignments (3) - 30% [3 X 20%]

Due Dates: Assignment 1-TBA, Assignment 2-TBA, Assignment 3-TBA.

Please see folder on D2L for assorted resources and guidelines on writing research essays in economics. *Late submissions will have 10 percentage points deducted from the final mark for each day late.*

D. Learning Outcomes

Upon completion of this course, the student should have:

- Knowledge on economic growth and development theories and their application to Canadian economic performance
- Statistical and empirical knowledge on the thematic and chronological development of the Canadian economy with applications to economic analysis and business conditions.
- Knowledge synthesis and critical thinking culminating in a research essay.
- Acquisition and application of measures and tools of quantitative data assessment including linear regression and inequality measures.

E. Instructions for Learning

It is important you carefully review and understand the instructions for learning in this course including those for the self-directed learning schedule.

The materials for this course including any quizzes, assessments and/or assignments will be provided on Lakehead University's D2L platform which you are responsible for accessing. Communication and correspondence for this course including submission of quizzes, assignments and papers and any questions will be via D2L. There may be informal, non- mandatory Zoom Meetings scheduled for additional discussion or questions at the discretion of the instructor. If

Zoom interaction is required, the invitation will come via the course D2L site.

A Self-directed learning schedule is provided in Section F. Please adhere to the schedule for lecture slide presentations, readings and tests and assignments. It is your responsibility to do the readings and observe any deadlines.

Please carefully read the following statement. Submission of materials to your instructor for grading means you have read and accept the following terms for academic integrity:

As per the Lakehead University Student Code of Conduct – Academic Integrity, students are required to act ethically and with integrity in academic matters and demonstrate behaviours that support the university's academic values. In submitting this completed exam, I am therefore affirming the following statements to be true:

- ✧ unless otherwise allowed by the course instructor, I have completed the exam/test/assignment/paper without the assistance of anyone.
- ✧ unless otherwise allowed by the course instructor, I have not accessed any sources or materials (print, online, or otherwise) in the completion of this exam/test/assignment/paper except for those allowed.
- ✧ unless otherwise allowed by the course instructor, this examination/test/assignment and other course materials provided are all protected by copyright. Reproduction or dissemination of this materials or the contents or format of these materials in any manner whatsoever (e.g., sharing the content with other students) is strictly prohibited. and.
- unless otherwise allowed by the course instructor, and, in accordance with Section III: Violations of this Academic Integrity Code, I understand that providing any false or misleading information, or by accessing any outside assistance, constitutes a breach of academic integrity as outlined in Lakehead University's Academic Integrity and Policies.

F. Course Self-Directed Learning Schedule

Module 1 January 9 to 13

Introduction to Economic history

Topics:

- (1)What is economic history?
- (2)'Old' vs. 'New' economic history.
- (3)Overview-Approaches to Economic History

Norrie and Owram, pp.ix-xxx.

Pomfret, R. The Economic Development of Canada, pp. 1-9, 41-61.

Hauptert, M.J. (2014) History of Cliometrics. Handbook of Cliometrics. Chapter 30.

Keay, I. and F. Lewis (2018) "Cliometrics and the Study of Canadian History," Handbook of Cliometrics, C. Diebolt and M. Hauptert, eds. Chapter 14.

Module 2 January 16 to 20

The Staples Approach to Economic History

Altman, M. "Staple Theory and Export-Led Growth: Constructing Differential Growth," Australian Economic History Review, 43,3, 2003, 230-255.

Innis, H.A. "The Importance of Staple Products" Canadian Economic History, eds. Watkins & Grant, pp. 15-17.

Innis, H.A. (1930/1999) The Fur Trade in Canada. (Available online LU library). https://books-scholarsportal-info.ezproxy.lakeheadu.ca/en/read?id=/ebooks/ebooks0/gibson_crkn/2009-12-01/6/417879#page=1

Olewiler, N. (2017) "Canada's dependence on natural capital wealth: Was Innis wrong?" Canadian Journal of Economics, 50, 4, 927-964.

Schedvin, C.B. "Staples and regions of Pax Britannica" Economic History Review, 43,3,1990, 533-559.

Module 3 January 23 to 27

Watkin's Approach to Staples and Rostow's Stages of Growth Approach to Economic History

Di Matteo, L. "Booming Sector Models, Economic Base Analysis and Export-Led Economic Development: Regional Evidence from the Lakehead" Social Science History, 17,4, 1993, pp. 593-617.

Keay, I. "The Engine or the Caboose? Resource Industries and Twentieth-Century Canadian Economic Performance," The Journal of Economic History 67(01):1-32, January 2007.

Pomfret, R. The Economic Development of Canada, 56-59

Rostow, W.W. The Stages of Economic Growth, 2nd. ed. Cambridge University Press, 1977. Watkins, M. "A Staple Theory of Economic Growth" Canadian Economic History, eds. Watkins & Grant, pp. 19-38.

Module 4 January 30 to February 3

Neoclassical Economic Approaches to Economic History: Neoclassical Growth, New Institutional approach, Overall Development Survey

Pomfret, R. The Economic Development of Canada, pp. 51-56.

Davis, L. and D. North (1970) "Institutional Change and American Economic Growth" Journal of Economic History, 1970.

Hoffman, P.T. (2018) Institutions. Handbook of Cliometrics, C. Diebolt and M. Hauptert, eds. Chapter 34.

North, Douglass C. Institutions, Institutional Change and Economic Performance, Cambridge University Press, 1991.

North, Douglass C. (1994) "Economic Performance Through time," The American Economic Review, 84,3,359-368.

Essay Assignment Number 1 Due TBA

Module 5 February 6 to 10

Economic Development Prior to 1850

The Fisheries, Timber Trade, Agriculture & Commerce: A quick survey of some of the features of these areas.

Altman, M. (1998) Land Tenure, Ethnicity, and the Condition of Agricultural Income and Productivity in Mid-Nineteenth-Century Quebec, *Agricultural History*, Autumn, 1998, Vol. 72, No. 4 (Autumn), pp. 708-762

Alexander, D. (1980) Literacy and Economic Development in Nineteenth Century Newfoundland. *Acadiensis*, 2, 3-34.

Creighton, D.G. (1969) The Decline and Fall of the Empire of the St. Lawrence. *Historical Papers / Communications historiques*, 4(1), 14-25. <https://doi.org/10.7202/030704ar>

Lower, A.R.M. (1933) The Trade in Square Timber Contributions to Canadian Economics., 6, 40- 61.

Geloso, V. (2019) Measuring Away the Importance of Institutions: The Case of Seigneurial Tenure and Agricultural Output in Canada East, 1851," *Social Science quarterly*, 100,3, May 897- 910.

McCallum, J. Unequal Beginnings Agriculture and Economic Development in Quebec and Ontario until 1870, University of Toronto Press, 1983, pp. 3-45, 115-122. https://books-scholarsportal-info.ezproxy.lakeheadu.ca/en/read?id=/ebooks/ebooks0/gibson_crkn/2009-12-01/5/417313

Nicholls, J., B. Allaire and P. Holm (2021) The Capacity Trend Method: A new approach for enumerating the Newfoundland cod fisheries (1675-1790), *Historical Methods: A Journal of Quantitative and Interdisciplinary History*, 54:2, 80-93, DOI: 10.1080/01615440.2020.1853643

Norrie, O. Wram, Emery pp. 1-183.

Pomfret, R. Economic Development of Canada, pp. 10-40.

Module 6 February 13 to 17

Economic Development Prior to 1850

HBC-NWC Fur Trade Duopoly Period 1803-1821 and Indigenous Canadian Economic History

Carlos, A. and E. Hoffman "The North American Fur Trade: Bargaining to a Joint Profit

Carlos, A. and F.D. Lewis (2001) "Trade, consumption, and the Native Economy: Lessons from York

- Factory, Hudson Bay," *The Journal of Economic History*, December, 61,4,1037-1064.
- Carlos, A. and F.D. Lewis (1993) "Indians, The Beaver, and the Bay: The Economics of Depletion in the Lands of the Hudson's Bay Company," *The Journal of Economic History*, 53,3,465-494.
- Carlos, Ann M.; Feir, Donna; Redish, Angela (2021) : Indigenous nations and the development of the US economy: Land, resources, and dispossession, QUCEH Working Paper Series, No. 2012- 04, Queen's University Centre for Economic History (QUCEH), Belfast
- Carlos, A. and E. Hoffman (1986) "The North American Fur Trade: Bargaining to a Joint Profit Maximum under Incomplete Information, 1804-1821" *JEH*, Vol. XLVI, pp. 967-986.
- Feir, D. , R. Gillezeau and M.E.C. Jones (2018) "The Slaughter of the Bison and Reversal of Fortunes on the Great Plains" Working Paper.
- Feir, D.L. (2016) "The long-term effects of forcible assimilation policy: The case of Indian boarding schools" *Canadian Journal of Economics / Revue canadienne d'Economie*, May / Mai 2016, Vol. 49, No. 2 (May), pp. 433-480.
- Innis, H.A. *The Fur Trade in Canada*.
- Morton, W.L. "The Northwest Company Pedlars Extraordinary" *Minnesota History* Winter 1966, pp. 157-165.
- Norrie , Owrap, Emery pp. 1-183.
- Pomfret, R. *Economic Development of Canada*, pp. 10-40.

STUDY BREAK AND FAMILY DAY February 20 to 24

Use this period to review what you have done, start your term paper, as well as get a head start on Module 7 material. There is also the assignment that is Due Feb 24th.

Second Assignment Due TBA

Module 7 February 27 to March 3

Statistical Evidence on Canadian Economic Growth

Topics:

- (1) General Evidence e.g. GNP, exports etc.
- (2) Staple/Export Led Growth vs. Neoclassical Growth
- (3) Classical (Spurt) Growth vs. Gradual (Revisionist) Growth

Altman, M. "A Revision of Canadian Economic Growth, 1870-1910", *Canadian Journal of Economics*, XX, 1986, pp. 86-113.

Bertram, G.W. "Economic Growth in Canadian Industry, 1870-1915: The Staple Model and the Take-Off Hypothesis" *Canadian Journal of Economics and Political Science*, 29,2,1963, pp. 159- 184.

Greasley, D. and L. Oxley (1998) "A Tale of Two Dominions: Comparing the Macroeconomic Records of Australia and Canada Since 1870," *Economic History Review*, New Series, 51, 2, May, 294-318.

Green, A. and M. Urquhart, "New Estimates of Output Growth in Canada: Measurement and Interpretation" *Perspectives on Canadian Economic History* ed. D. McCalla and M. Huberman, 1994,

158-176.

Urquhart, M.C. "New Estimates of Gross National Product, Canada, 1870-1926: some Implications for Canadian Development," in Long-Term Factors in American Economic Growth, eds. Stanley L. Engerman and Robert E. Gallman, eds., NBER, University of Chicago Press, 9-94. Norrie, Ooram, Emery. 185-192.

Pomfret, R. Chapter 4, pp. 62-89.

Module 8 March 6 to March 10

The Industrialization of Central Canada

Topics:

(1) Manufacturing Development in Ontario and Quebec

(2) Saving and Industrialization

McCallum, J. Unequal Beginnings, pp. 83-122. Norrie, Ooram and Emery pp.212-231.

Pomfret, R. Chapter 7, pp. 151-181.

Altman, M. (1984) A COMPARATIVE ECONOMIC HISTORY OF QUEBEC AND ONTARIO, 1870- 1910: AN ANALYSIS OF THE STATISTICAL SOURCES. PhD Thesis McGill.

Altman, M. "Resource Endowments and Location Theory in Economic History: A Case Study of Quebec and Ontario at the Turn of the Twentieth Century," The Journal of Economic History, Dec., 1986, Vol. 46, No. 4 (Dec., 1986), pp. 999-1009

Di Matteo, L. (1999) "Fiscal Imbalance and Economic Development in Canadian history: Evidence from the Economic history of Ontario," American Review of Canadian Studies. Drummond, Ian (1987) Progress without Planning: The Economic History of Ontario from Confederation to the Second World War. Toronto: University of Toronto Press.

Inwood, Kris and J. Irwin (2002) Land, Income and Regional Inequality: New Estimates of Provincial Incomes and Growth in Canada, 1871-1891"Acadeinsis, 31,2, 157-184.

Module 9 March 14 to March 18

The Prairie Wheat Economy

Topics:

(1) The Relevance of the Wheat Boom to Canadian Economic Growth

Bertram, G.W. (1973) "The Relevance of the Wheat Boom in Canadian Economic Growth," The Canadian Journal of Economics / Revue canadienne d'Economique, Vol. 6, No. 4 (Nov., 1973), pp. 545-566.

- Chambers, E.J. and D.F. Gordon, (1966) "Primary Products and Canadian Economic Growth" *Journal of Political Economy*, Aug., 1966, Vol. 74, No. 4 (Aug., 1966), pp. 315- 332.
- Dales, J.H., J.C. McManus and. M.H. Watkins (1967) "Primary Products and Economic Growth: A Comment," *Journal of Political Economy*, Dec., 1967, Vol. 75, No. 6 (Dec., 1967), pp. 876-880
- Di Matteo, L. (2004) "Resource Boom and bust, 1885-1920: Regional Wealth Evidence from Probate Records," *Australian Economic History Review*, 44, 1, 52-78.
- Green, A.G. and G.R. Sparks (1996) "Population Growth and the Dynamics of Canadian Development: A Multivariate time Series Approach, LSE Working Papers, 32/96 June (later published in EEH).
- Inwood, K. and T. Stengos (1991) "Discontinuities in Canadian Economic Growth, 1870-1985" *Explorations in Economic History*, 28, 274-286.
- Lewis, F. (1975) "The Canadian Wheat Boom and Per Capita Income: New Estimates," *Journal of Political Economy*, Vol. 83, No. 6 (Dec., 1975), pp. 1249-1257.
- Marr, W.L. (1981) "The Wheat Economy in Reverse: Ontario's Wheat Production, 1887-1917," *The Canadian Journal of Economics / Revue canadienne d'Economique* , Feb., 1981, Vol. 14, No. 1 (Feb., 1981), pp. 136-145.
- Pomfret, R. Chapter 8, pp. 182-211. Norrie , Owram and Emery, 193-211.
- Ward, T. (1994) "The Origins of the Canadian Wheat Boom, 1880-1910," *he Canadian Journal of Economics / Revue canadienne d'Economique* , Nov., 1994, Vol. 27, No. 4 (Nov., 1994), pp. 865-883.

Third Assignment Due TBA

Module 10 March 20 to March 24

Government Policy and the Economy

- Topics:
- (1) Tariffs
 - (2) Transportation
 - (3) Land Policy
 - (4) The Role of the Public Sector in a Staples Economy
 - (5) The Evolution of Federal Finances, 1867-1990.

- Aitken, H.G.J. "Defensive Expansionism: The State and Economic Growth in Canada" *Approaches to Canadian Economic History*, Carlib No. 31, pp. 183-221. Available Online LU Library.
- Alexander, P.D. and I. Keay (2018) "A General Equilibrium analysis of Canada's National Policy," *Explorations in Economic History* 68 (2018) 1–15.
- Beaulieu, E. and J.C.H. Emery (2001) "Pork Packers, Reciprocity, and Laurier's Defeat in the 1911 Canadian General Election," *The Journal of Economic History* , Dec., 2001, Vol. 61, No. 4 (Dec., 2001), pp. 1083-1101,
- Carlos, A.M. and F.D. Lewis (1995) "The Creative Financing of an Unprofitable Enterprise: The Grand Trunk Railway of Canada, 1853-1881," *Explorations in Economic history*, 32, 273-301. Di

- Matteo, L. (2017) *A Federal Fiscal History: Canada, 1867-2017*. Fraser Institute.
- Emery, J.C.H. and K.J. Mckenzie (1996) "Damned If You Do, Damned If You Don't: An Option Value Approach to Evaluating the Subsidy of the CPR Mainline," *The Canadian Journal of Economics / Revue canadienne d'Economique* , May, 1996, Vol. 29, No. 2 (pp. 255-270).
- George, Peter (1968) "Rates of Return in Railway Investment and Implications for Government Subsidization of the CPR: Some Preliminary Results" *Canadian Journal of Economics*, 4, 740-62.
- George, P.J. (1975) "Rates of Return and Government Subsidization of the Canadian Pacific Railway: Some Further Remarks," *The Canadian Journal of Economics / Revue canadienne d'Economique* , Nov., 1975, Vol. 8, No. 4, pp. 591-600.
- Harris, R., I. Keay and F. Lewis (2015) "Protecting infant industries: Canadian manufacturing and the national policy, 1870–1913" *Explorations in Economic History* 56 (2015) 15–31.
- Norrie, K.H. (1975) "The Rate of Settlement of the Canadian Prairies, 1870-1911" *The Journal of Economic History* , Jun., 1975, Vol. 35, No. 2, pp. 410-427
- Norrie, Owsram and Emery, 158-181; 232-254; 200-210, 261-301.
- Pomfret, R. Chapter 5, pp.90-123; Chapter 6, 124-150; Chapter 12, pp. 262-290.

Week 11 March 27 to March 31

Regional Variations in Economic Development

- Topics:
- (1) Regional Economic Variations in the Canadian Federation.
 - (2) Case Study: Economic History of Northern Ontario.
 - (3) Case Study: The Maritimes
 - (4) Case Study: Economic History of the Lakehead

- Alexander, David G. (1978) "Economic Growth in the Atlantic Region, 1880-1940" *Acadiensis* 1978.
- Cannon, J.B. (1984) "Explaining Regional Development in Atlantic Canada: A Review," *Journal of Canadian Studies/Revue d'études canadiennes*, Volume 19, Number 3, Fall 1984, pp. 65-86.
- Di Matteo, L. (2021) *Arrested Development: A Brief Economic history of Northern Ontario, 1870 to 2020*," Manuscript.
- Di Matteo, L. (1999) "Fiscal Imbalance and Economic Development in Canadian History: Evidence from the Economic History of Ontario," *American Review of Canadian Studies*, 29, 2, 287-327.
- Di Matteo, L. (1993) "Booming Sector Models, Economic Base Analysis, and Export-Led Economic Development: Regional Evidence from the Lakehead," *Social Science History*, Vol. 17, No. 4 (Winter, 1993), pp. 593-617.
- Di Matteo, L. "The Economic Development of the Canadian Lakehead During the Wheat Boom Era: 1900-1914" *Ontario History*, Vol. LXXXIII, No. 4, Dec. 1991, 297-316.
- Di Matteo, L. "Evidence on Lakehead Economic Activity From the Fort William Building Permit Registers, 1907-1969" *Thunder Bay Historical Museum Society, Papers and Records* , XX, 1992, 37-49

Inwood, K. and J. Irwin, "Land, Income and Regional Equality Inequality: New Estimates of Provincial Incomes and Growth In Canada, 1871-1891", *Acadiensis*, XXXI,2,2002,157-184. Nelles, H.V. *The Politics of Development: Forests, Mines and Hydroelectric Development in Ontario, 1849-1941*, Toronto:MacMillan, 1974.

Skogstad, K. and R.J. Petruna (2018) "The impact of labour policies on Canadian gold mines in World War II," *Cliometrica* (2019) 13:163–200 <https://doi.org/10.1007/s11698-018-0176-2>.

**Norrie, Owram and Emery, 302-316. Pomfret, R. Chapter I1, pp.244-261.

Week 12 April 3 to April 7

Wealth Inequality in Canada in the Late 19th Century

Topics:

(1) Measuring Inequality: Why and How.

(2) Nova Scotia and Wentworth County: Case Studies.

Alfani, G. (2019) *Wealth and Income Inequality in the Long Run of History*. In *Handbook of Cliometrics*. Springer-Verlag, 2-28

Di Matteo, L. "Wealth Distribution and the Canadian Middle Class: Historical Evidence and Policy Implications," *Canadian Public Policy*, June, 2016.

Di Matteo, L. (2017) "Does Egalitarianism Come at a Price?: Inequality and Economic Performance in Late-Nineteenth-Century Ontario," *Social Science History*, Volume 41, Number 4, Winter 2017, pp. 615-644.

Di Matteo, L. (2012) "Land and Inequality in Canada, 1870-1930," *Scandinavian Economic History Review*, Vol. 60, No. 3, November 2012, 309-334

Di Matteo, L. and P. George "Canadian Wealth Inequality in the Late Nineteenth Century: A Study of Wentworth County, Ontario, 1872-1902" *Canadian Historical Review*, LXXIII, 4, December 1992, 453-483.

Gwyn, Julian and Fazley Siddiq, "Wealth Distribution in Nova Scotia during the Confederation Era, 1851 and 1871" *Canadian Historical Review*, LXXIII, 4, 1992, 436-482.

Additional Resources: World Inequality Database for Assorted International Inequality Data.

<https://wid.world/>

Research Paper Due, TBA