The Newsletter of

# The Cliometric Society

October 1995 Vol. 10 No. 3

#### The Twentieth Canadian Economic History Conference

by Gillian Hamilton, University of Toronto, and Tony Ward, Brock University

(London, Ontario) On Friday the 13th of October, 31 economic historians gathered in unseasonable warmth at the University of Western Ontario (UWO) for the Twentieth Conference on the Use of Quantitative Methods in Canadian Economic History. Participants enjoyed the beautiful colours of the Ontario fall and the amenities of Spencer Hall, UWO's Conference Centre. Knick Harley (UWO) and Neil Quigley (Victoria U. of Wellington) were in charge of local arrangements and the program respectively.

Harley chaired the first session, which opened with "Property Rights and Institutions: Congress and the California Land Act of 1851", by Karen Clay (Toronto), who explores the institution created by this legislation, how it allocated property rights in land, and the problems it encountered in resolution of land titles. Clay concludes that the Act was relatively successful because it required little additional legislation and it decreased the time for claimants to receive clear title (patent) over their land. Harley suggested two possible extensions: the effects of the institution on economic growth and on land values. He recommended she draw on work by Jean-Laurent Rosenthal documenting deleterious effects of the French property rights regime, and on Gary Libecap's paper (see below) which finds a positive relationship between clear title and land values in Brazil. Ron Shearer (UBC) and Ken Norrie (Alberta) pursued this line of thought, referring to the institution's impact on costs and benefits of patenting and to the role of squatters.

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In "Understanding Marriage Contracts: Evidence from Nineteenth Century Montreal", Gillian Hamilton examines the determinants of two main contract features: the provision of widow's dues and the property regime adopted during the marriage. Couples could choose either a version of French community property law or English law (no community). She finds that the level of support for widows was correlated with wealth, and asks whether a wife's joint production in a husband's occupation may have influenced the property regime. Discussion focused on interpretation of her results. Ward asked about a positive relationship between Catholics – controlling for ethnicity – and property regime; Harley thought this might be an "Irish effect". George Emery (UWO) urged Hamilton to explore how bequest motives might have affected both the regime chosen and the level of provision. Ruth Dupré (HEC) wondered whether it was reasonable to assume that women expected to outlive their husbands, given their high mortality rates during childbearing. Hamilton replied this was the case in US data, after allowing for that risk. Frank Lewis (Queen's) suggested the level of support for a widow might be analogous to holding an equivalent amount of life insurance.

(continued on page 14)

#### **Executive Director's Notes**

#### **Cliometric Society Trustees**

The annual Trustees meeting was held September 9 in Chicago. Sam Williamson opened the meeting with a request that various Trustees volunteer to assume responsibilities for coordinating selection committees for the Cliometrics Conferences, Undergraduate Paper Prize, and ASSA Sessions.

Cliometrics Conferences: Williamson reported that a proposal for continued support for the next three years had been submitted to the NSF. He also presented the results of a Conference paper-presenter survey conducted for inclusion in the proposal. (See page 13.) Other funding sources for the Conference were discussed. Sites for future conferences were discussed, but none have been confirmed for after the 1996 conference. Trustees approved the concept of having a Trustee, the Executive Director and perhaps representatives from the previous two conferences to advise the local hosts in selecting papers and attendees. Price Fishback volunteered to be the first Trustee representative.

World Congress: Dates for the upcoming World Congress were discussed. (See announcement on page 13.) The Trustees passed a resolution that a World Congress

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of Cliometrics should be scheduled every three or four years.

Finances: The budget for the 1994-95 Fiscal Year was presented. (See summary on page 8.)

Subscription costs for *Explorations in Economic History* will increase again for 1996, but trustees agreed to keep Society dues at the current rate.

Undergraduate Paper Prize: Trustees discussed contest publicity, concluding that the Call for Nominations should appear earlier in the academic year and in more publications. (See page 23.) Ann Carlos volunteered to serve as Coordinator of the Selection Committee for the next three years.

Cliometric Society Sessions at the ASSA meetings: Mary MacKinnon volunteered to be the coordinator, beginning with the 1997 ASSA in New Orleans. The coordinator will consult with the Executive Director to select Program Chairs, then work with them to find session chairs, discussants, and rapporteurs.

Membership: To date, the Society has 415 members from 23 countries, with 27 student members, 297 regular members, and 47 sustaining members. 239 members subscribe to *EEH*, and 45 have joined the European Historical Economics Society, for a total of 194 dual memberships since this option was introduced in 1993. Unfortunately, 59 Society members failed to renew for 1995.

#### New Research Interest Code System

This fall, the Economic History Services group developed a new research interest coding system to replace the JEL codes used by The Cliometric Society for several years. Now members of the Economic History Association, the Business History Conference, and the Economic History Society of Australia and New Zealand will also be invited to register their interests with alphanumeric codes in their directory listings. From the list provided, members will select a subject, geographic area, and time period for each of their areas of interest. Since the system will be standard among the EHS organizations, a code search will be cross-referenced through all membership directories and will locate each person who registered that interest, irrespective of membership affiliation. Members will soon be able to review and update their individual directory listings on an electronic "form" in the EHS server.

The new coding system will be presented to Cliometric Society members with their December renewal letters.

#### AN INTERVIEW WITH MALCOLM C. URQUHART

Editors' note: Our interview with Mac Urquhart was done in two sessions a couple of weeks apart in February 1995 in Mac's office at Queen's University in Kingston, Ontario, an office the University has kindly permitted him to use for more than a dozen years of post-'retirement' research effort. Information covering some gaps in the initial interview was added in late August, 1995. The interviewer, Marvin McInnis, also of Queen's, provides the following sketch:

Mac Urguhart completed a BA degree in honours economics at the University of Alberta in Edmonton in 1940 after several years as a part-time and correspondence student, while working as a rural school teacher. From this he proceeded to the graduate program at the University of Chicago. World War II interrupted his graduate studies and, after only two years at Chicago, he was drawn into the Canadian public service to do his part in the war effort. Mac came down from Ottawa in 1945 to join the faculty at Queen's, where he has spent his entire academic career, punctuated by time spent on a development mission in Pakistan and sabbatical leaves at Berkeley and the LSE. He has been honoured by Fellowship in the Royal Society of Canada, and was the Sir John A. Macdonald Professor of Political and Economic Science at Queen's. His two monumental contributions to Canadian economic history are the Historical Statistics of Canada (1965) and the recent volume on Gross National Product, Canada, 1870-1926 (1993). Both were collaborative efforts but were strongly shaped by Mac Urguhart's sure hand as manager and editor. He also published an article on 'Capital Accumulation, Technological Change, and Economic Growth' in 1959 in the old Canadian Journal of Economics and Political Science, pursuing the line of thought widely associated with Solow, Swan and Abramovitz. That article was part of what would have been Mac Urquhart's doctoral dissertation. The ideas were formulated at Chicago in the late 1940s and presented there at a workshop in 1953, so Mac was in on the ground floor of modern growth accounting. Past his eightieth birthday, Mac continues to show up at the office every day and seems to be exhibiting a rate of scholarly output that has accelerated with age.

I think there are two reasons that the editors asked me to do this interview. One is that they have been looking for interviews from most of the important early contributors to historical economics, and the other is that you were at the first meeting of the group at Purdue that eventually came to designate itself 'The Cliometric Society'. Maybe you can tell me why you thought you were invited to participate in that first get-together. Were you the only Canadian there?

No, there were two of us. The other was Gideon Rosenbluth, who was also at Queen's at that time, and I'll



mention some of the relevance, perhaps, of both of us being asked. I'm not quite sure why we were asked, but there were possibly a couple of reasons. The first was that there had been established a Committee on Statistics of the Canadian Economic Association some years earlier, on the initiative of the younger members of the profession who wanted to get more quantitative data for analytical purposes. For one reason, having quantitative data was for a more rigorous testing of economic theories and for a better understanding of historical developments; for another, it was to develop models, mostly macroeconomic models, dealing with the performance of the Canadian economy.

So that was not necessarily an economic history issue, but just a general quantitative data and empirical economics matter?

Yes, and that related to the Committee on Statistics. Perhaps the second possible reason is that there was an Institute for Economics Research at Queen's University which had been established, I think in 1953, on Frank Knox's entrepreneurship.

Frank Knox is not well known to our non-Canadian friends, I suppose, but he had a long connection with the historical side of things and he taught a quite famous course in economic history at Queen's.

Yes, he did, and he also had quite an interest in public policy matters and analysis of economic development. There had been, during his career, a number of Royal Commissions dealing with either Dominion-Provincial relations or other things of that sort, and a good deal of quantitative data had been developed in connection with them. If I could just carry on with that, the function of the Institute for Economic Research, headed initially by Knox, was to bring to Queen's University anywhere from seven to eight, perhaps 10 people - young economists from other universities - to spend eight to 10 weeks at Oueen's during the summers. The Institute's function in part was to keep these people from taking jobs outside economics in order to supplement their university incomes, which were then very low and had not recovered to anything like an equilibrium level. The people who came received research assistance and a small monthly salary. I've forgotten just how much it was - perhaps \$600 or \$800 – but it was enough to keep them carrying on with their research work. Well, through its life and up until the time of the Purdue Conference (there had been seven years of its existence), the Institute for Economic Research brought to Queen's University a very high proportion of the younger economists of the country who were active in research, and so there developed a community of these younger economists which had, I might add, quite fruitful consequences, not only at that time but in subsequent years. Well, in any event, Gideon Rosenbluth had quite a lot to do with the Institute for Economic Research. I had become head of the Institute in about 1958 - 59, and I think, just from the nature of its operation, our Institute might have had some bearing upon our invitations to go to Purdue.

#### Had you had much prior contact, Mac, with some of the people involved with the Purdue meeting?

No, not directly with most of them. I'd had quite a lot of participation in American conferences, National Bureau of Economic Research Conferences, and the American Economic Association, but I don't recall being acquainted with most of the people who were at this conference, except perhaps Dunc McDougall, a graduate of Queen's.

#### What were your first impressions of that conference?

#### What do you remember as most notable?

Well, my general recollection is that there was great enthusiasm for using quantitative data in dealing with historical analysis. There had not been all that much done previously in the way of rigorous application of quantitative data. Although one needs to be careful in making that statement because in Canada people like W.A. MacIntosh, who was an economist at Queen's and later became Principal of the University, had been responsible for developing data on Canadian foreign trade and on prices running back as far as 1867. But I think economic history had not used quantitative data in the way that cliometricians came to use it. One got the feeling of general enthusiasm for this, and it fit in with the attitude of Gideon Rosenbluth and myself. Later we both had quite a bit of experience in the use of quantitative data in that way.

Did you have a sense that at that first meeting something new – a new kind of venture and new direction – was under way? Or was it just much in line with the kinds of things that you and Gideon and others had been doing on the Canadian scene?

Well, I think it was new in the United States – for instance, relative to the work that had been done in the National Bureau of Economic Research. Now, the National Bureau had been producing large quantities of statistical data for a great many years prior to that, but the approach at Purdue was more to developing and, of course, using data for specific purposes.

#### To test specific propositions?

Yes, yes – and looking at particular episodes.

People have often spoken of being impressed by the 'heat' of discussion in some of the early Clio meetings. Was that true right from the onset? Was there quite a bit of heated debate at that first meeting?

No, I don't recall that there was. I think there was a general enthusiasm for trying to develop along the line of what later became known as cliometrics. Perhaps the one big episode of the conference was the emergence from obscurity of Robert Fogel in connection with his research on railroads and canals in the United States. He presented this in a substantial amount of detail, as he did with most of his projects, and it was quite amazing that when one asked whether he had looked at this particular piece of

evidence or that – oh, yes, yes, he had, and here was the answer to it. That was the emergence of Fogel and, of course, the development of the use of the counterfactual method – although I'm not sure that this latter way of looking at things has proven as useful as some believe it has.

#### Did you go back to any other cliometrics meetings?

I think I went to one or two of the later ones, although I think that the formal Cliometric Society wasn't established at that meeting, but then one of the things that happened with me was that, first, I got very heavily involved in the historical statistics project through the early years of the 1960s, and then from 1964-68 I was Head of the Department here at Queen's. In consequence I got myself up to my ears in taking care of them both. That was because, you see, the great expansion in the number of students came at this time and, unfortunately, the availability of finance wasn't as great as it became later. I think it wasn't until the late '60s-say, '67-68—that academic salaries had returned to what one might call an equilibrium level.

There has been a Canadian group in Quantitative Economic History meeting for almost as long as the American cliometrics group. You were there (as I was) at their first meeting. Could you tell us a bit about their beginnings?

Well, I didn't have so much directly to do with that. An interest among Canadians probably arose out of what had happened at the Purdue conferences. Both Gideon Rosenbluth and I had been there. Ken Buckley and some others knew about it and were interested. John Dales of the University of Toronto had a fairly early involvement with the Purdue group. It was Dales, I believe, and his colleague Ed Safarian at Toronto, who organized that first Canadian meeting.

What I remember most about that first Canadian meeting was the paper by Chambers and Gordon, which stirred up quite a bit of controversy and seemed to take up much of the conference. Do you recall your reaction to it?

I think we all found it a bit much to absorb fully at first pass and there was a lot of concern that all of the general equilibrium effects had been adequately accounted for. I thought it was encouraging, though, to see them using quantitative evidence to evaluate an important historical issue. I still think they went a bit overboard in trying to interpret the staples model as merely dealing with *per capita* income growth.

You mentioned the *Historical Statistics of Canada*, Mac, and I want to get on to that. You would have been well into work on that project from the time you went to that first Clio meeting. Was that the case?

Yes, the Historical Statistics project developed as a consequence of the existence of the Committee on Statistics. At the Committee on Statistics, that I mentioned before, there was an interest in seeing whether we could have a publication of the Historical Statistics of Canada similar to what had just emerged with the publication of the United States data. Ken Buckley had been asked by the Committee to look into that to see if there were enough data to justify such an enterprise, and he came back with the recommendation that it should be done and then . . . I became the editor, and pretty much the manager of the project, and he was assistant editor.

I'm interested particularly in the contrast with the US. The US Historical Statistics volume had been a product of their Census Bureau and ours was a kind of private initiative, by a group of scholars who said, let's get on with something like this.

Yes, it was entirely private.

## Did you have any special funds? Were you able to get a grant?

Perhaps I might come back to that, but I should mention that the US volume had involved a lot of people from outside the Census Bureau itself, but the Census Bureau did the managing of the appointment of the people and the publication and all that kind of thing. Yes, we in Canada received a small grant from the Social Science Research Council, more or less to get ourselves started. We needed some help – secretarial help and that kind of thing – and part of the undertaking was to arrange for the financing of the project. Now, this involved using a great many sources. One source was the Canada Council¹ which provided us with some money, but not a large amount. We used all kinds of other sources. We got help from the

<sup>&</sup>lt;sup>1</sup> The Canada Council, established in 1957, was the Canadian federal government funding agency for arts, humanities and social sciences. In later years the funding of economics research was passed to the Social Sciences and Humanities Research Council of Canada.

Bank of Canada, from the Dominion Bureau of Statistics, from the Department of Agriculture, from the Department of Labour —much of it in kind — but in some cases, posts were provided that paid the modest emoluments for the section chiefs. I would like to mention especially one person who helped us a lot, Ken Taylor, who was the Deputy Minister of Finance at the time. As you know, Taylor had been an academic economist prior to the Second World War and had been responsible for developing the foreign trade statistics.

## He was the Taylor of Taylor and Michell, Statistical Contributions . . . ?

Yes, that's correct, and he had gone to Ottawa during the war, I think with the Wartime Prices and Trade Board, but in any event he stayed after the end of the war and had become Deputy Minister of Finance. Ken Buckley<sup>2</sup> and I went into see him and he understood right from the beginning what we were trying to do, and he was most sympathetic. He arranged, for instance, directly for the statistics on the federal public finances to be prepared from the basic records right in the Department of Finance. He also helped in seeing that posts were provided in the Dominion Bureau of Statistics and I think perhaps in the Departments of Agriculture and Labour. Well, this helped us in getting financial support, but it took a good deal of time of course to arrange for these things. Fortunately, I had been connected with, well, the federal civil service, from 1943 to 1945, and I knew most of the people who were engaged in economic research or in obtaining economic data at the federal level, especially in the Dominion Bureau of Statistics. I should mention also the Bank of Canada, especially because they had collected a fine group of young economists who were keen on the developments in the monetary and other aspects of the performance of the economy at the time, and I knew these people in the Bank of Canada very well.

I have often thought, Mac, that it must have been a pretty daunting task to think of putting together a Historical Statistics for Canada. In the US there had been so much prior work done by the NBER and various other agencies. They seemed to have a lot to go on. It is my impression that here at the time

we had less developed work and fewer things to go on. Did you see it that way, that you faced a pretty formidable challenge?

Well, it was true that we had considerably less data than the US, but we did have more than might have been thought. I already mentioned two of the sources of data, the Dominion Bureau of Statistics and the Department of Finance. There was also a series that had been developed in the Department of Labour under the influence of R.H. Coats, who later became Chief Statistician in the Dominion Bureau of Statistics. The Department of Agriculture also had developed considerable statistics, and quite a bit had been done on the development of municipal statistics by Harvey Perry. Nevertheless, you are right, we had quite a bit less, and one of the functions of the project itself was to develop new statistical series.

You had quite a list of contributors, with section chiefs and others helping, but it seems to me that in a project like that, the person who puts it all together and is responsible for seeing it through finally ends up with an awful lot to do. And that was you. Am I correct?

Yes, although not perhaps in the way that you are describing. Perhaps I just might mention the matter of the appointment of the section chiefs, who all had panels - as we called it, advisory panels. Well, that was quite a large job in itself, which Ken and I managed. And our knowledge of the people in the economics community, from our experience with the Institute for Economics Research and the federal government, came in very handy. I think we knew people right across the country who would take part in it. Nevertheless, it did involve getting in touch with them, seeing whether they had the time and enthusiasm to undertake the work, and we got that done. By and large, they were quite good in getting the work to us. To begin with, of course, we had to decide how the different areas of statistics were to be divided among the sections of the publication. I think that there were 21 sections altogether, and we had set out these divisions and collated the material. The section chiefs would come back to us with proposals of what they would include and we would then see if that worked out satisfactorily. In most cases they got on with their work, though, in explaining how the data were obtained. There were some instances where we had to make up the introductory parts to the sections themselves but, aside from our own sections - Ken had three and I had two-we didn't have a lot of work to do in getting the statistical data itself, except in one or two cases.

(continued on page 18)

<sup>&</sup>lt;sup>2</sup>Kenneth Buckley, then at the University of Saskatchewan, had produced a doctoral thesis at the LSE that was a highly quantitative study of capital formation in Canada in the wheat boom era, published in 1955. Buckley had been a research associate of the NBER and had there become associated with such cliometric pioneers as Douglass North and Richard Easterlin.

#### **Parker Receives Hughes Prize**

#### by David Mitch University of Maryland Baltimore County

(Chicago, September 8) William Parker of Yale University was awarded the 1995 Jonathan Hughes Prize for Excellence in Teaching Economic History at the annual meeting of the Economic History Association. The Selection Committee consisted of Mary Schweitzer (Villanova), Chair; David Mitch (Maryland-Baltimore County) and Hugh Rockoff (Rutgers). The Committee received nominations for a number of outstanding candidates from all levels of instruction.

Through the force of his intellect and personality, Professor Parker formed the required coursework in economic history into one of the cornerstones of the graduate program in Economics at Yale. His lectures are noteworthy for their wit and humanity. Rather than imposing the approach of some 'Parker School', he has conducted seminars and advised dissertations by drawing out and clarifying his students' own lines of thought. Many of Parker's students have become eminent economic historians in their own right, making important contributions to such diverse areas of economic history as early modern Dutch economy, the Irish potato famine, economic development of the 19th and early 20th century American South, and 20th century Japanese labor markets.

How deeply Bill Parker cares about his teaching responsibilities is evident in the remarks he prepared in acceptance of the Hughes Prize. Excerpts from his remarks follow.

'The instinct to teach is both a bit exhibitionistic and a bit altruistic. Once acquired it is hard to shut off even in the social company of one's peers.'

'In my view teaching can be conducted in one or both of two modes: the sadistic and the masochistic. Sadistic is the powerful lecturer who thunders out his simplistic assertions from his pulpit, connecting them with a web of seeming logic, thus showing off his memory and the strength and flexibility of his reasoning powers — And

such a one revels in having it all fed back to him on the exam.

"Like Cato, gives his little Senate laws, And sits, attentive to his own applause." (Pope)

In this mode, a teacher conducts a discussion by vivisection – cutting up a student live, seeking to embarrass him, trap him to make him (or preferably her) blush, all to achieve a cheap mastery over a defenseless wretch.'

'The masochistic mode, on the contrary, is better suited to the research scholar. Such a one feigns reluctance to instruct. It is enough, he feels, that he offers the example of his endlessly open mind and exhibits his saintly, self-torturing humility... In teaching, he listens – absorbing what a student is and knows, dropping only an occasional word that he believes will show his own deep knowledge of the student's nature, his sensitivities, the individual strengths of his mind.'

'In effectiveness of teaching, both these character types have their strengths as well as their weaknesses. The human mind can learn out of fear as well as out of sympathy. If a student loves the subject really, it is enough.'

'I would suspect that all of us would say that we learned more from books than from lectures or seminars. The classroom gives an experience that is sometimes exciting, sometimes miserably boring. It is often memorable more for its human details – the personality of the teacher, than for the content of what is said.'

The full text of William Parker's acceptance speech is available in the Economic History Association 'Publications' directory of the Economic History Services fileserver: http://cs.muohio.edu/EHA/Publications/parker.shtml

# Call for Nominations The Jonathan Hughes Prize for Excellence in the Teaching of Economic History

The Economic History Association has established an annual award in memory of Jonathan Hughes to recognize excellence in teaching economic history. Jonathan Hughes was an outstanding scholar and a committed and influential teacher of economic history. Nominations for the third Hughes Prize, for 1996, are now invited.

Teachers of economic history at all levels of instruction are eligible for nomination. The basic requirement for nomination is a statement on how the nominee has exemplied excellence in the teaching of economic history. Winners will be selected by the Committee on Education and Teaching of the Economic History Association, David Mitch, Chair, Sally Clarke (U. of Texas) and Hugh Rockoff (Rutgers). The prize includes a \$1,000 cash award.

Nominations and inquiries should be directed to

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Deadline for receipt of nominations is March 20, 1996.

### Summary Budget Report of The Cliometric Society

Fiscal Year 7/1/94 - 6/30/95

(Includes carry-over balances and debts from previous fiscal year)

Income:		Related organizations/promotion:	570.65
Membership Revenue:		Hospitality at meetings:	540.77
Dues:	8,163.50	Total:	15,417.53
Airmail fee:	135.00	3. 00011	10,11100
EEH subscriptions:	12,713.50	Newsletters (two of three):	
EHES dues:	367.50	Printing:	1,697.00
	21,379.50	Copying Inserts:	342.19
Total:	21,379.30		1,036.86
Other revenue:	÷	Postage/Supplies:	
Endowment fund interest:	350.15	Total:	3,076.05
		OFF	
Newsletter ads:	60.00	Office:	
Miami University Subsidy:	2,000.00	Phone and Fax:	473.88
Book Sales:	309.50	Administrative Assistant:	5,078.40
Cost-sharing (ASSA party):	314.61	Computer upgrade:	388.46
Total:	3,034.26	Total:	5,940.74
TOTAL INCOME:	24,413.76	Other Expenses:	
	•	Undergraduate Paper Prize:	29.49
Expenses:		Book Printing:	1,250.00
Membership:		Book Promotion:	275.00
'Bad Debts':	57.50	Total:	1,554.49
Credit card processing fees:	190.86	I otali.	1,554.47
Academic Press:	13,576.00	TOTAL EXPENSES:	25,988.81
EHES newsletter postage:	113.37		•
Membership mailings:	368.38	Difference:	- 1,575.05

#### **Lists and Server News**

#### by Samuel H. Williamson, Executive Director

Currently we have 2,972 subscribers to 12 lists on what I now call the "Eh.net". The most active lists are Eh.disc, Eh.teach, and H-Business. In early November, the Eh.net lists received the four thousandth posting since June 1994, when we began operating the Econhist list on our own CS server. Operating the server continues to be an experiment in progress, as we launch and reorganize lists, use lists in novel ways, and expand our economic history resources.

#### **Announcing New Lists**

Eh.eastbloc, "Economic History of the Eastern Bloc Countries" was launched the beginning of October. Andre Steiner (Mannheim) is the list's creator and moderator. He hopes list subscribers will address "not only the economic and social history of particular countries but also the comparison of different countries", concentrating on the period from 1945 to 1989-90.

For several months the Economic History Society of Australia and New Zealand (OZNZ Society) has been operating a list on the Eh.net for their members only. The list Oznz.society will still be used for Society communication; however, the list is now "open" and welcomes all scholars involved in Australia and New Zealand economic history research and teaching. The editor is Stephen Nicholas (Melbourne), Society President; other officers serve as Editorial Board members.

#### **Econhist Reorganization**

Last spring we divided the original Econhist list into three separate lists with specific subjects, news, research, and the unmoderated discussion list. Recently I analyzed the postings to Econhist for the two months before the split, and to Eh.disc, the discussion list, after the split. I found that 35 subscribers who had posted to Econhist during that time period have never posted to Eh.disc. I do not know if they have unsubscribed, but review of the postings shows that most of these subscribers used the list only to make announcements. On the other hand, I found 53 new participants on Eh.disc who had not posted to Econhist. The volume on the discussion list was greatest in the first two weeks after the split and then slowed down, becoming dormant during July and August. This fall, activity has picked up but has not resumed the pace of last April. Most

of the decline can be explained by reduced participation of only three subscribers.

From April to October, Eh. disc averaged 294 subscribers. During that time, only 30% of them posted messages, and half of this group posted only once. At the other extreme, 50% of the postings were sent by only five people; 30 others accounted for the next 40% of the postings. All our lists have many "lurkers", subscribers who never post. It is my impression that 30% is a high percentage of participation compared with similar lists. I plan to analyze activity levels on the other Eh.net lists for comparison.

In my opinion, there have been several interesting discussions on Eh.disc in the last few months, without the tensions that bothered many subscribers last April. They have all started spontaneously; some have been short without much depth, while others have been quite interesting and informative. One notable topic was the Black Plague and real wages, where John Munro discussed his current work showing that wages fell after the Plague. If you wish to read the postings, refer to the Eh.disc archive for last May.

#### **On-line Seminars**

H-Business sponsored an on-line forum to discuss Colin Gordon's *New Deals*, recently published by Cambridge University Press. The H-Business editors announced the on-line forum well in advance, allowing subscribers time to read the book in preparation. The advance notice also gave scholars who wanted to participate in the discussion the opportunity to join H-Business. The seminar was limited to two weeks' duration, at the end of April.

The discussion began slowly. Professor Gordon kindly offered a few introductory remarks; H-Business editor Austin Kerr (Ohio State) posted a brief review of the book written for a print journal, and asked Gordon a few specific questions. During the second week, the discussion grew livelier and several subscribers offered lengthy criticisms, to which Professor Gordon graciously responded.

In October, Global.change began a forum on Jeffrey Williamson's paper "Globalization, Convergence, and History." Like the Gordon forum, there were very few

comments during the first week or two. To date, there have been 26 postings and the discussion continues.

The editors of the various lists plan more on-line seminars in the future.

#### **Survey Results**

Last summer we sent a survey to all list subscribers asking general questions about the lists and fileserver. This two-part questionnaire was sent to subscribers *via* electronic "bulk mail".

A majority evaluated the lists as convenient to use, noting that the "Eh" list posting prefix was very helpful. Respondents felt that the most valuable aspect of the lists was that they provided a venue for informal and lively exchange of knowledge, resources, and opinions among a community of peers, with a broad coverage of topic areas. Least valuable aspects cited were flaming, excess verbosity of postings, and discussions prolonged past the point of interest. Although most felt that the current number of lists and clarity of the topics was adequate, many offered suggestions for new list topics.

Replies to questions about the fileserver revealed that most people are now using World Wide Web access. The majority of respondents said they used the server as an economic history resource "occasionally"; directories rated most useful were Syllabi, List Archives, Membership Directories and Databases. Many expressed interest in electronic seminars on topics related to their research, and suggested subject ideas. Longer-term conferences were more popular than real-time formats. One subscriber confessed it was necessary to stay off the system in order to work.

#### **Economic History Services Fileserver**

The Business History Conference and The Economic History Association have joined The Cliometric Society

in maintaining home pages on our server, now called "Economic History Services" (EHS). Each organization now has its membership directory "on line", plus other resources such as conference announcements and programs. The Economic History Society of Australia and New Zealand (OZNZ Society) will join our EHS fileserver group soon, and we hope that other organizations will join as well.

Efforts continue to maintain and improve the EHS fileserver. We have decided to eliminate the gopher form of the server, since more people report using World Wide Web. Gopher users can get free software that provides access to both gopher and WWW sites, even through a modem. If you have been using gopher and want Web access, tell your local computer center consultant that you want to use a WWW browser. Readers who do not have technical support may write our help line: help@cs.muohio.edu

Recent areas of server improvement include the List Archives, where postings now can be reviewed by "thread" (subject) as well as by name or date, and an electronic "form" for Data Series registration. We are creating similar forms for membership information, so members will be able to update their directory listings electronically. With each EHS organization adopting the new research interest code system, all membership directories will offer the interest code search option. The Syllabi collection continues to be a valuable and muchused resource, although many entries need to be updated and new syllabi are welcome. Access to past Newsletters will be available to members only, using the password dgr596. Further information will be posted on Eh.news.

I am always looking for help with the lists and the server. If you would like to serve on an editorial board or assist with maintaining or developing one of the EHS server files, please write me at the Society postal address or send an e-mail message to swilliamson@cs.muohio.edu

#### **Electronic Address Book**

Economic History Services fileserver address: http://cs.muohio/edu

Lists: For information about Eh.net lists and subscription instructions, please send the one-line e-mail message *info lists* to **lists@cs.muohio.edu** 

E-mail forwarding service: If you do not know, or have forgotten, a member's e-mail address, use the EHS fileserver's mail-forwarding feature. Simply address your message to the member's <first initial last name>@cs.muohio.edu

#### **Call for EHS Data Series Registration**

The Standing Committee on Archives of the Economic History Association has established a directory of data series, which is now available in the Economic History Services fileserver. The Committee believes that many data sets which might be of great value to the scholarly community are not being utilized, and has surveyed its members for information on data sources which they would be willing to make available to other scholars. The intent is to complement, not to compete with, the work of organizations such as ICPSR.

As Chair of this committee for 1995-96, I wish to expand the directory, and invite you to register your data in the server. Please describe your data series and provide instructions for researchers who wish to use them. World Wide Web users can register their contributions directly on the survey form in the Data Series folder. Others are asked to send an e-mail message to swilliamson@cs.muohio.edu or a letter to me at The Cliometric Society's address. I would also welcome suggestions for expanding and improving the Archives.

Samuel H. Williamson

# Announcement Conference on East and Southeast Asian Economic Change in the Long Run

Thursday April 11, 1996 Honolulu, Hawai'i

If economic history is going to play the role it should in developing policy in East and Southeast Asia for the next century, the time is ripe to start a collective debate about questions concerning long-run growth in the region. Eight papers will confront the questions: What determined the evolution of living standards? How strong is the connection between international financial capital requirements from abroad and demographic events at home? What have been the sources of Asian growth in the long run? How have world economic events influenced the evolution of rice agriculture? How have property rights influenced the performance in agriculture? What have determined soil use and soil quality trends? Why did Japan industrialize first?

This conference will involve a day-long meeting at the Hilton Hawai'ian Village preceding the meetings of the Association for Asian Studies (AAS). An AAS Roundtable will follow April 12 at 10:30 am, led by Jeffrey G. Williamson, Chair, John Latham, Peter Lindert, Peter Timmer, and Yasukichi Yasuba. Participation from all interested scholars is welcome.

For additional information and the program, please write:

Jeffrey G. Williamson, Organizer
216 Littauer Center
Harvard University
Cambridge MA 02138 USA
Telephone: 617-495-2438

Fax: 617-495-7730 E-mail: jwilliam@fas.harvard.edu

## Announcing The European Review Of Economic History

The European Historical Economics Society is pleased to announce the launch of a new journal for European economic history. *The European Review of Economic History* will be published by Cambridge University Press in association with the Institute of Economics, University of Copenhagen. The *Review* will be published three times a year beginning in 1997 and will be launched with a single promotional issue. The Editors of the *Review* are Tim Hatton (Essex), Gunnar Persson (Copenhagen) and Vera Zamagni (Bologna).

The editorial policy of the *Review* is to promote, encourage and further all areas of European economic history. The editors will especially welcome articles and contributions (1) which use economic insights to shed new light on historical developments, (2) which employ a comparative approach embracing two or more European countries, (3) which focus on countries or topics which are relatively under-researched, and (4) by authors whose work might not otherwise be published in English. The editors will also seek to encourage debates among authors on topics where significant advances are being made or where views on established themes differ widely. The *Review* will also publish surveys of research in important areas of European economic history, particularly in areas where a significant part of the literature is not in English.

#### **Call for Papers**

The European Review of Economic History is now accepting the submission of manuscripts. Papers should be submitted in English and should be of normal article length (6-8,000 words) including footnotes and bibliography. Three copies of the manuscript should be submitted to the Editorial Office in Copenhagen. All articles will be subject to the normal refereeing process.

Submissions should be sent to the following address:

The Editors

European Review of Economic History
Institute of Economics
University of Copenhagen
Studiestraede 6
Copenhagen DK 1455
DENMARK

#### World Clio Congress is set for Munich in 1997

The Third World Congress of Cliometrics will be held July 10 - 13, 1997 in Munich, Germany. All members of sponsoring organizations are invited to attend. Registration will be open, but will be conducted in advance so participants can receive the papers prior to the Congress. The sessions will be held in traditional Cliometrics Conference format: Authors will provide a five-minute introduction to their work, which will be followed by an extended period of discussion involving session participants.

John Komlos is handling local arrangements, working to raise funds for receptions, and organizing diversions for the Congress.

A Steering Committee of representatives from sponsoring organizations is now being established, with other members to be announced:

Samuel H. Williamson, Chair
Leonid Borodkin, Center for Economic History and Theory, Moscow State University
Knick Harley, Canadian Conference in Economic History
Timothy Hatton, The Cliometric Society
John Komlos, Local Arrangements
Graeme Snooks, Economic History Society of Australia and New Zealand
Gianni Toniolo, European Historical Economics Society
Yasukichi Yasuba, Japanese Quantitative Economic History Group

#### **Tentative Dates:**

Deadline for proposals:

Authors notified of acceptance:

Requests for invitations due:

Papers due:

Conference books mailed:

October 1, 1996

March 1, 1997

April 1, 1997

May 15, 1997

Additional information will be provided in future Newsletters and other sources.

#### **Cliometrics Conferences Survey Results**

In June 1995, a Cliometrics Conference survey was sent to the authors of papers which were presented at Conferences 1985-1995, including the two World Congresses. Queries about the publication results of the 172 papers presented were sent to 140 participants.

One hundred one participants returned answers about 148 papers. The publication total below (109) exceeds the number of responses, because in 17 cases the papers were published in more than one journal or both in a journal and as part of a book. Many participants who responded that their work was still in progress reported that their papers were currently under submission to a journal, or were being revised for resubmission.

Participants were also asked how the presentation at the Cliometrics Conference helped their work. With few exceptions, responses were overwhelmingly positive. Their responses and the publication information were included in the recent NSF grant proposal.

Published in a journal: 78

Already published 69 Forthcoming 9

Part of a larger work (e.g., book, monograph): 31

Already published 21

Forthcoming 10

Still in Progress toward publication: 39

#### Canadian Report (continued from page 1)

Before dinner, Gary Libecap (Arizona) gave an overview of his work, with Lee Alston (Illinois) and Robert Schneider (World Bank), on the emergence of property rights at the Brazilian agricultural frontier. Expansion of agriculture into the forest provides a fascinating setting for examining the evolution of local institutions. Under Brazilian law, establishing formal property rights is expensive and many settlers take land legally but without full title. One element of the project examines distance to market as an influence on the choice to seek legal title, finding that the more valuable land closer to the market is patented both more frequently and more rapidly. Libecap urged economic historians to use their unique interdisciplinary training and perspective to tackle more of these sorts of issues.

Tony Ward chaired the first session on a rainy and much colder Saturday morning, which began with a comparative analysis of labour markets in Canada and Australia. Mary MacKinnon (McGill) uses data from the Canadian Pacific Railway (CPR) and Victoria Railways to evaluate differences in hiring patterns and retention rates between the two markets, and looks at the influence of wages in Canada, Australia, as well as in England, an important source of labour supply in both cases. Railways are of particular interest in comparative labour history because of their size and the quality and extent of documentation. The privately-owned CPR was less rigorous in its hiring procedures than the government-owned Victoria Railway, and experienced higher quit rates. Lively discussion followed, with questions about the influence of political and long-term economic factors in determining labour market characteristics. Livio Di Matteo (Lakehead) asked about possible reasons for the different approaches to worker discipline, strict in Canada and rather lenient in Victoria. Lewis discussed the burden of investment in worker training, and Shearer, the need to distinguish voluntary from involuntary departures.

Following coffee, Trevor Dick (Lethbridge) chaired a session featuring Leonard Dudley (Montreal), who presented a formalization of the Innis hypothesis about interactions between communication technology and economic growth. Changes in the relative costs of information storage, reproduction and transmission lead to switches in growth paths, as either time or space becomes the binding constraint on knowledge. These changes lead to a sequence of initial monopolization of information,

then technological innovation to circumvent the constraint, followed by either growth or stagnation, depending on whether or not the new technology itself becomes monopolized. Dudley associates major waves of economic growth over the last millennium to development of new means of communication. Mike Bordo (Rutgers) questioned Dudley's use of population growth as a proxy for economic growth, and Marilyn Gerriets (St. Francis Xavier) and Di Matteo suggested there were other, and more traditional, explanations for the swings in growth.

Marilyn Gerriets next analysed the relationship between agricultural resources and the rate and pattern of economic development in the Maritimes. Her paper shows how higher-quality land generates higher population density, thereby providing larger markets for manufactures. Analysis of data from five provinces shows a strong correlation of land quality with population and economic growth. Harley noted the contrast between Gerriets's work and the predictions of the Staple Thesis. Nathan Sussman (UWO and Hebrew) observed that the typical analysis links wealthy agriculture with high wages and, therefore, expensive manufacturing; Gerriets provides a good explanation for the frequently-observed, opposite picture. Libecap closed with commentary on the general issue of natural resources, the size and distribution of rents, and economic development.

The first afternoon session was chaired by Mike Bordo and began with "International Financing of Canadian Railroads: the Role of Information", by Frank Lewis and Ann Carlos (Colorado-Boulder). Seeking to explain the nature of foreign investment in three large Canadian railroads, they exploit an Akerlof "lemons" framework, assuming that domestic investors were better informed than foreign investors about some projects. Comments focused on the efficacy of an asymmetric information model in this context. Libecap asked if there were brokers who specialized in disseminating information, and, if not, why not? He also wanted to know the source of the asymmetry. The authors replied that local market conditions were the principal source of asymmetric information - they thought it unlikely that British investors were privy to gossip about local railroad officials. Harley and Don Paterson (UBC) thought the authors underestimated the extent of British knowledge; June Flanders (Tel Aviv) commented that Keynes's descriptions of the period imply that British investors were well informed about foreign investment projects.

George and Herb Emery (Calgary), a father and son team spanning the disciplines of history and economics respectively, presented their paper on private sickness insurance in Canada and the United States. They explain why state and provincial offices of the Independent Order of Odd Fellows (IOOF) chose to retain or dismantle their sickness insurance provisions in the late 1920s. In 1925, as the average age of the membership was increasing, the

IOOF's head office no longer required its state or provincial jurisdictions to provide sickness insurance, and, shortly thereafter, a number of jurisdictions abolished it. Carlos opened by asking the Emerys to consider who had a vested interest in sickness insurance: was it sensible that the aging membership, who presumably would benefit most, would renounce insurance? She also pointed out that all the states that banned insurance were in the relatively poor,

Northern agrarian belt, perhaps a potentially important determinant of a lodge's decision to retain or reject insurance. MacKinnon asked how much the lodges were spending on illnesses relative to other expenditures, noting that payment of sickness benefits declined rapidly, in the southern states in particular. Kris Inwood (Guelph) suggested a look at the organization's ability to compete with alternative forms of health insurance.

The second afternoon session was chaired by Lou Cain (Loyola and Northwestern). Kris Inwood and Jim Irwin (Central Michigan) led off with "Comparative Regional Development and Income Convergence: Canada 1870-1890." Their objective is to construct regional estimates of income in 1870 and 1890, based on their newly-constructed series of regional commodity income (instead of the new Urquhart series), and to compare income inequality in regions of central *versus* eastern Canada. As Canada's 1867 confederation immediately preceded this

period, political union may have influenced income inequality, as Jeffrey Williamson's work suggests. Using a generalized least squares framework, they find little change in the degree of income inequality between 1870 and 1890. Dudley asked about the sensitivity of their results to changes in specification, and Shearer and Herb Emery questioned their treatment of the errors-in-variables problem. Dupré, MacKinnon, and Gerriets asked



(L. to r.) Livio DiMatteo, Ruth Dupré, George Emery, Herb Emery.

about the sensitivity of the results to the regional definitions. Shearer wondered why they had avoided Urquhart's commodity estimates, and Lewis doubted the validity of applying American commodity estimates to Canadian data.

Kieran Furlong (Trent) completed the day's sessions with an analysis of expansion of the Canadian cotton industry during the late 19th century and the sources of its growth, focusing on the role of tariffs. His argument that recovery from the 1870s recession may have been an important contributor to growth casts doubt on the conventional view that domestic tariffs, raised in 1879, spurred growth. MacKinnon asked about the appropriateness of his view that Canadian producers were building mills that were "too small". Carlos offered a possible explanation for observed plant size: the presence of American subsidiaries. Lewis suggested that Furlong adopt a monopolistic-competition model, which would better exploit the

heterogeneity of cotton products, and would offer a more consistent explanation for the behavior of the price series and the growth in the number of firms.

Between drinks and dinner, Don Paterson, flown in especially for the occasion, introduced his research co-conspirator, Ron Shearer. Shearer's animated account of the early development of Canadian financial institutions addressed the strong British influence before Confederation and the patterns of bank branch expansion. Their research has examined trustee savings banks and terminal building societies, as well as institutions imported from England to provide banking services to private individuals. Canadian financial institutions have many roots in the English system because of a recurrent need to tap the London market for large projects. The British government also imposed its attitudes on the Canadian system, generating the development of unrestricted branch banking. Prior to 1861, the Bank of Montreal was the dominant financial firm, but after Confederation most of the banking sector expansion was by other institutions, and in Canada West. Many other innovations, with varying degrees of success, enlivened banking sector growth. Shearer's research also shows that, during the gold standard period, Canadian banks closed down their foreign exchange departments whenever there was a financial crisis in America.

Sunday morning's sessions began with Neil Quigley in the chair. Peter Wylie (Okanagan and Trent) distributed "Basic Health, Nutrition, and Canadian Economic Growth, 1870-1990", by one of his students, Paul Chouinard (Trent). Wylie plans to expand this work to explore, in the spirit of Fogel, the relationship between physiological characteristics and economic growth in the Canadian context. This paper uses data on meat consumption as a proxy for health status, but many participants urged Wylie to find more suitable proxies. Shearer suggested that meat consumption might well be negatively correlated with physical well-being. Cain and Harley suggested using height data, in the style of Fogel and Steckel. Norrie wondered whether Wylie would be able to capture a separate "Canadian effect" of nutrition if he were unable to control for immigration. Inwood suggested Wylie undertake a deeper analysis of mortality patterns, possibly extending the study to the early 19th century.

Livio Di Matteo followed with his paper on wealth accumulation in the late 19th century. Linking probated decedents from 1892 Ontario to the census of 1891, he

finds wealth accumulation rates similar to those found for the United States. In discussion, Shearer and Harley expressed concern about use of the term "growth rate": since it did not refer to an individual's rate of lifetime wealth accumulation, but rather to the wealth accumulation experienced by a cross-section of individuals, cohort effects could bias the results. Gerriets thought that the conventional measures of wealth recorded in the probates were inadequate because they would not capture, for example, a parent's human capital investment in his children. Almos Tassonyi (Ontario Ministry of Municipal Affairs) and Inwood were surprised that the regional dummy variables were insignificant, and suggested that Di Matteo include a regional age-of-settlement variable in the regression.

In keeping with the morning's obsession with mortality, Lou Cain finished the paper sessions with "Death and Spending: Did Mortality Shocks Lead to Municipal Expenditure Increases?", written with Elyce Rotella (Indiana). They use city data on mortality and government expenditure for the period 1899-1929 in the US and find in general that cities responded to their own shocks, but also learned from, and sometimes responded to, capital outlays undertaken by other cities. Ward asked whether the cities – and the results – varied according to their water sources. Clay inquired whether the source of finance was systematically related to expenditure. Hamilton thought that the effects of mortality shocks might be estimated more precisely if mortality variables included a measure of the cumulative effect of shocks as well as lags. Harley, concerned about the authors' measure of the capital stock, suggested measuring changes in capital stock instead of levels. Cain thought this a telling point and related a story he attributed to Mark Twain. The water supply of a particular US city was taken, untreated, from the Mississippi River. When offered a glass of water, visitors to that city would wait until the debris settled, whereas the natives shook their glasses to ensure they ingested all of the water's "life-giving properties".

Following coffee, Inwood chaired a work-in-progress session, with five varied papers. Ruth Dupré provided a spirited account of the evolution of state restrictions on smoking. Since the introduction of the "noxious weed", over the course of history approaches have ranged from the extreme – amputating the hand, as in 17th-century Russia – to the mild, as with contemporary advertising restrictions. Prohibition was adopted in 14 US states during the 1920s, and survives in such ways as the current

ban on smoking by young people. Dupré traces the political economy of these measures in Canada, evaluating the importance of factors such as rent-seeking by those on both sides of the debate.

Angela Redish (UBC) and Mike Bordo examine the methods used to finance Canada's participation in the world wars. These periods form the starkest test of public

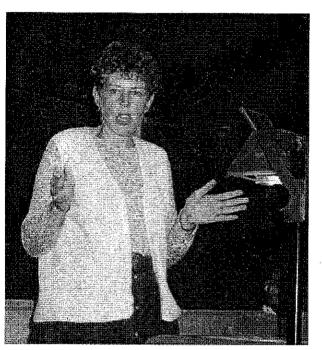
finance because of very high levels of government expenditure. The authors focus on the balance between taxation and seigniorage versus debt. The danger of crowding out is as real during war as at any other time, and was a serious problem in Britain. A distinguishing factor was the far greater scale of financing for World War II. Canada began both wars with relatively balanced budgets. Although the debt to GNP ratio fell in Canada for the first two years of the second war, the duration of both wars led to significant debt financing. However, by World War II, the

Canadian banking system was more developed, which facilitated marketing of debt and collection of seigniorage.

Ken Norrie offered an account of the "Admiralty system" used to manage the Newfoundland cod fishery from its beginnings to about 1800. The first ship to arrive from England each year was allocated the right to manage the scarce beach space and access to timber. This type of common property management system led to rent dissipation through search costs and inability to build up on-shore capital installations. Norrie discussed three possible reasons for the persistence of this apparently inefficient system: the fishery may have been a precapitalist form of organization, distributional factors were more important than efficiency, or the common property system was indeed efficient. Comments focused on the extent of rent dissipation, and the high cost of a winter stay in Newfoundland which would have precluded more permanent fishing bases.

Cherie Metcalf (UBC) next presented her analysis of the role played by natural resources in the development of British Columbia. She is building computable general equilibrium models of the BC economy for 1911, 1951, and 1991 to evaluate the extent to which economic prosperity is linked to the health of the resource base. Using a static linearised Johansson model, her project is tackling difficult issues such as the measurement of

resource stocks for historical periods. Stocks, particularly of resources such as timber. are endogenous functions of technology, prices, and the prior path of spatial growth. Extensive commentary and questioning investigated issues such as the degree of endogeneity of prices (Norrie) and of inputs such as labour and capital (Lewis) inherent in modeling a small open economy. Harley felt that Metcalf's methods were appropriate for capturing the important general equilibrium effects and discussed the demand specifications for secondary industries.



Angela Redish presenting.

The final paper of the conference was given by Almos Tassonyi on the evolution of municipal finance in Ontario. Data are poor, and considerable effort is needed to get the correct composition of income and expenditures. Tassonyi noted that, even a century ago, many municipalities were borrowing up to 20% of their budgets to finance current expenditures. The greatest proportion of revenues came from the traditional sources, property taxes, licences and water and sewer rates, with minor additions from liquor licences and the like. Generally, revenues were documented far more accurately than expenditures. Cain suggested that Tassonyi focus on the three largest categories of expenditure: construction of schools, water and sewage facilities, and roads.

Ann Carlos concluded the conference with a vote of thanks to the two organisers, Knick Harley and Neil Quigley. All looked forward to the next meeting — whenever and wherever it may be.

#### **Urquhart Interview** (continued from page 6)

Looking back on it, Mac, what is your judgement of the impact the *Historical Statistics* volume had? I'm thinking particularly of how it may have induced scholars to take a bit longer view of things or make use of the longer span of historical evidence.

Oh, I think it did – just as the *Historical Statistics of the US* had that effect – I think it encouraged academic research workers in particular to undertake projects that they wouldn't have done otherwise, to take projects that involved the use of quantitative data, and it may actually have led to some of them trying to develop data that were not yet available, and hadn't been available for the Historical Statistics volume.

What do you think of the importance of the longer view and of economic history in the education and ongoing work of economists? In particular, should graduate students in economics have an exposure to economic history as a matter of course?

Well, I'm not sure whether it should be a requirement for everyone. I think, however, that a good course that stresses quantitative information can be very helpful to most people who are going to do economic work. Now, there are some specialties where perhaps that's not so relevant – for instance, when one gets into econometrics that require the use of substantial data in the detail that wasn't available for the earlier period, but is for the more recent period. But, I think, for anyone who is trying to deal with the development of the Canadian economy, it would be essential that they have the knowledge of much of the economic history.

## Some issues just keep coming back around, again and again.

Well, one of the things that's interesting now is that there are a number of people who are looking at the present slow-down (if that's the right word to use) in our recovery and wondering if there are perhaps some similarities to what happened in the 1930s and earlier in the way of downturns.

Yes, I sometimes ask students if it's any coincidence that the early 1990's and the early 1890's should have been slow, depressed periods. Now let's turn to the beginnings of Mac Urquhart as a scholar. I think I'm

correct, am I not, in saying that your roots are very much in the farming community of the prairies, and your life was strongly shaped by the depression of the 1930s. How did you get started on this journey?

Well, it's true, I was brought up on a farm which my father had homesteaded in virgin country at the turn of the century. I went to a one-room rural school from grades 1 to 9 and set off to Edmonton for two years in grades 10 and 11, but the end of the 1920s came then, and at that time wheat prices declined enormously. So I couldn't be sent off for the final year of high school, and I worked for a year on the farm — I was too young at that time to be admitted to Normal School.

#### You were going to be a school teacher?

Yes, I was — that was my father's plan, because it was a way of leaving the farm and getting a start on something else and earning enough money, perhaps, to go on to other things. Well, after working for a year on the farm, in which my final experience was handling a stook wagon on a threshing crew in the fall, I went to . . .

## Did that convince you that farming was perhaps a less preferable occupation?

Not really. I liked the farming and I enjoyed – you know, when you are young and have all kinds of time, energy, and so forth . . .

#### Pitching bundles is a good way to work it off?

Yes. In any event, I went to Normal School. There's one thing that I would like to mention that follows from that – incidentally, I borrowed \$300 to go to Normal School, which I paid back later, but it was sufficient to support me during my school years. When my Normal School terminated, I had an experience, a most helpful experience, that shows how a particular person can shape one's life in many ways. It followed from a suggestion by the principal of the Normal School, G.S. Lord, that I should go to summer school in the six weeks before starting teaching in the autumn and take, oh, perhaps five of the eight subjects that would make up Grade 12, the final year of high school.<sup>3</sup> Well, for a six-week course he knew that the registrar of the summer school would never permit me

<sup>&</sup>lt;sup>3</sup> In most of Canadain 1930 it was still possible to enter teacher training college with only three years of secondary schooling.

to take that number of courses. So, on his own, he walked up with me from the Normal School several blocks to where the registration for the summer school was taking place, and interceded with the registrar – persuaded him to allow me to take the three mathematics courses and a science course, which I think had a lab to it . . . and I've forgotten the other course – maybe history.

#### You're not supposed to say that history was the forgettable one!

No, no. Well, I always remembered that kindness on his part. He incidentally also managed to lend me \$20 to help tide me over, a little loan funded from the Normal School. In any event, following that I taught for five years.

#### So you really started off as a school teacher?

Yes, I started off as a school teacher in a one-room school: I had all the grades from 1 to 11 – not all at the same time, as there would be some gaps – but different times for those grades. Also during that period, as well as finishing my final year of high school, I got the first year of university done, by correspondence and summer school.

#### Then you went to university.

Yes. I finished the degree in honours economics at the University of Alberta.

## Did you still have in mind being a teacher? When you went into honours economics, you must have decided that economics was going to be the thing.

No, I didn't intend to continue on as a teacher, and I think that there were a number of things that led me into economics. One was that my father had been active politically with the United Farmers of Alberta - who had formed the provincial government, incidentally, from 1921 to 1935 - and so I'd always had an interest in that. It was what now would be called a prairie populist party. My father was also a member of the wheat pool - a farmer-owned wheat marketing agency and a co-op kind of thing that ran their own elevator system as well as attending to the marketing. Well, it was, of course, with the onset of the Depression in the prairies, a very, very bad time. The price of wheat fell to a small fraction of what it had been in the 1920s and it was a combination of those things, I think, that made me interested in economics.

## After economics at Alberta, was it directly off to graduate school?

Well, not quite. Canada was already at war and I volunteered to join the Royal Canadian Air Force but was not accepted. I had been accepted for graduate work at the University of Chicago, so off I went in the fall of 1940 and I put in three quarters there in each of the next two years.

#### Why Chicago?

I would hazard that my admission there resulted from my having studied with G.A. Elliott, who was highly regarded by Jacob Viner. Elliott had actually been a colleague of Viner for a year as an assistant professor. I just took it from Elliott that I should go to Chicago. This was a time at Chicago when the bright lights were, besides Viner, Frank Knight, Theodore Yntema, Henry Simons, Oscar Lange and Gregg Lewis. Paul Douglas was already involved in political life by this time. I should just note that it was Oscar Lange who received most attention from the students. He taught macroeconomics, especially the theories of Keynes, microeconomics and mathematical economics, and, despite his strong left-wing stance politically, he was quite objective and very systematic in his lecture presentations.

## But you weren't able to finish the Ph. D. at Chicago. What happened?

Well, I completed my comprehensive exams at Chicago in the spring of 1942, then participated in the Financial Research Program of the National Bureau of Economic Research, and taught at MIT in 1942/43. Then in the spring of 1943, before the end of the academic year, I received an urgent call from W.A. Mackintosh to join him in Ottawa, where he was full-time special assistant to the Deputy Minister of Finance, W.C. Clark. I agreed, but with the stipulation that the Air Force, which I would be joining, would take the responsibility for seconding me to a civilian post in the Department of Finance. So I joined Mackintosh as his assistant. Among other things, Mackintosh was made responsible for much of the planning for the post-war period. The memories of the 1930s and its devastation were very strong and there was great concern that another depression might follow the war. My work turned out to be making plans for the post war.

#### What did that involve?

I should like to make three points about the circumstances in Ottawa at the time. First, at the intermediate level in the Department of Finance, the Bank of Canada and External Affairs, a small but highly competent group had been assembled. There were also many young executives from private business - 'dollar a year men' - who held posts in wartime production, the Wartime Prices and Trade Board, and the like, and contact with them was very fruitful. Second, as part of our need to gain an understanding of the working of the economy and also of the Keynesian developments, measurement of national income and related aggregates became very prominent. Our national income work was greatly stimulated by the work of Richard Stone and James Meade in Britain in setting up a whole system of national accounts, which became the system world-wide. Third, I became intimately involved with a wide range of persons engaged in the analysis and application of an extensive range of provisions for the post-war period.

#### Such as ...?

One part of my work was as a member of an interdepartmental committee to plan for the full national accounts for Canada. That led to the establishment of the national accounts section in the Dominion Bureau of Statistics. There was also great interest in providing for the data needed to implement post-war policy. Two things might illustrate my work in that direction. First, I prepared the first estimates for Canada of private sector fixed capital formation and both private and public sector public utilities for 1926 to 1941, and O.J. Firestone did the estimates for direct government capital formation. Second, I was given the responsibility of developing a macro forecasting model for the Canadian economy. One element of that was to develop an annual survey of business investment intentions, which was, and still is in fact, carried out by Statistics Canada.

## But then, Mac, you put all that behind you and moved into the university world at Queen's.

I hadn't intended to remain in government employment after the war, and so I did not. As the war's end appeared in sight, I arranged to take up an appointment at Queen's University, beginning in the spring of 1946. As it turned out, the numbers of servicemen attending the University in the fall of 1945 was so great that there was an urgent request for me to join the University that fall. I only managed to come here in late November of 1945, to teach

three courses without any time to prepare. Then there were special full sessions in the summer of 1946, so I taught steadily, without any break, from the autumn of 1945 to the spring of 1947, and I continued to contribute to the development of the forecasting model in Ottawa until well into 1946. I have to admit that this burden taxed my health in a way that took nearly ten years for a full, robust recovery.

## So it was hard to get back on the track of the research you had begun in graduate school...

I did have one major break in 1948/49, when I spent the year back at the University of Chicago as an invited fellow. It was most stimulating and it was then I laid the main foundations for one big component of my later work on capital formation, technological change and economic growth.

## This was the study that was ultimately published in the *Canadian Journal* in 1959?<sup>4</sup>

Yes, although that was only one part of what I had done. I had put a lot of work into collecting data for the 1800 to 1850 period, but eventually felt that only the 1850 to 1950 material could be used. The approach to measuring the effects of technological change was pretty much worked out in 1948/49.

And by 1953 you had presented that material to a seminar at the University of Chicago. I always thought it a bit of a shame, given all the attention received by Solow, Swan and Abramovitz, that your early exploration of that field did not get more recognition.

Well, I'm not sure I would put it that way, but my heavy teaching schedule at Queen's and the interlude of 15 months in Pakistan did have the unfortunate effect of delaying the completion of that work.

Over the past several years your big project has been to produce historical national income estimates for Canada. It must have been a great pleasure to see that

<sup>&</sup>lt;sup>4</sup> The 1959 paper had among its findings that capital accumulation played a larger role in total factor productivity growth and a correspondingly smaller role in US economic growth in the latter half of the 19th century than in the first half of the 20th – a point which was reestablished and given considerable emphasis several years later by Abramovitz and David.

## project completed, but would you tell us a bit about the origins?

Well, there was a real recognition among the Canadian group that something along these lines was needed. We were aware that we didn't have anything comparable to the work that had been done by Simon Kuznets, Solomon Fabricant and others on measuring national income and such for the United States, as far back as 1869. Also, there was a lot of dissatisfaction with the pioneer decadal estimates that had been published by Firestone. A group of economic historians then thought it was time we in Canada should do something about that.

#### Do you recall who made the initiative?

It was discussed in the group, but there was no collective agreement to carry it forward. I picked it up as something that I could do as a sort of general manager, and since I had some experience . . .

#### With the national accounts?

Yes, and with assembling a collaborative group.

## As it turned out, you did the largest part of this yourself?

Well, yes, but . . .

So we now have this substantial volume of Canadian national income material that takes us almost back to Canadian Confederation, to 1870. I have thought that in many ways the new material might set an agenda for the next few years. About when did you get started on the project?

I think we really got started around 1974/75, but all of us who were involved were busy on other things, so it was a part-time activity.

### A long time in the making, but it seems to be pretty worthwhile.

Yes. I think it's proven to be worthwhile – it's being used a good deal in analytical work and of course there is a great interest now in quantitative developments in Canadian history, partly, I think, arising from some unease about the present circumstances, about what's happened with there being a lag in recovery

from the downturn not only Canada and the US, but almost...

#### The productivity slowdown?

Yes, yes.

What are you off onto now, Mac? You just finished this large volume on national income and you are still as active as ever it seems – so tell us about where you are headed.

Well, I'm not quite as active as I used to be, but I'd like to make one comment about the thing that I think should happen—should have high priority—and that is to develop a decent cost of living index for Canada from 1900 backwards. That can be done. It would be a project of considerable size but the data can be found, I think, without question. I think that should have the highest priority. To come back to the question that you raised about what I am doing now: Frank Lewis and I are looking at what life might have been like in the early days of the settlement of Upper Canada. We are quite fortunate in that there are quite a lot of data that were gathered and might be used to estimate at least a substantial part of total production.

## So we may be able to do some considerable filling in of what the picture before 1870 – maybe even well before 1870 – looked like in this country?

Oh, I think that is true. We do have some work that already has been done for 1850 – Firestone made an estimate for that year – and we need to look more carefully at that – but Frank and I are now looking back into the 1820s, which is quite an early time in the settlement of Upper Canada.

We'll be looking forward to what you can do with that, Mac, and we are all quite delighted that you just seem to go on and on.

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## Call for Papers North American Econometric Society

June 21-24, 1996 University of Iowa Iowa City, Iowa

Cliometricians are invited to submit papers for cliometrics sessions at the summer meeting of the North American Econometric Society. Each submission should include three copies of a cover page, a 100-word abstract and, if possible, the paper itself. Please send submissions to both the Program Chair, N.E. Savin, and the Cliometrics Convener, Elizabeth Hoffman.

Deadline: February 1, 1996

Professor N.E. Savin, Program Chair Department of Economics 108 PBAB Suite W210 University of Iowa Iowa City, IA 51142

Professor Elizabeth Hoffman, Cliometrics Convener
208 Carver Hall
Iowa State University
Ames, IA 50011

Additional program details are available on World Wide Web: http://www.biz.uiowa.edu/econinst/econsoc.html

# Announcing The Second Annual Cliometric Society Undergraduate Economic History Paper Prize

The goals of this award are to provide undergraduate students with an opportunity to achieve recognition for excellence in research and writing, to enable their work to reach a wider audience, and to encourage economic history teachers to cultivate undergraduate writing and research.

Selection Committee members Ann Carlos (Colorado-Boulder), Chair, Robert Whaples (Wake Forest) and Paul Hohenberg (RPI) will judge papers on significance of findings, soundness of method, originality, understanding of existing body of work, clarity of writing, and overall quality. The prize will be announced in the summer of 1996. The prize-winning paper will be published in *The Newsletter of The Cliometric Society*, and its author will receive a cash award and a complimentary membership for one year.

#### Rules:

Papers must be nominated by a member of The Cliometric Society.

All types of papers will be accepted, e.g., archival research, statistical analysis, analysis and review of literature. Papers may cover any geographic area and any topic, as long as the primary focus is economic history.

Papers must be written by a student who was an undergraduate during the 1995-96 academic year. 'Undergraduates' are defined as students in the first degree program of their higher education, e.g., US Bachelor's Degree. There are no age restrictions.

Papers must be submitted by e-mail or on disk, using a commercial word-processing program. They must be *one* document, with graphs, charts, tables, *etc.*, embedded in the text. Maximum length is 5,000 words, with an additional maximum of 5 pages of graphics. Papers must be in English.

Author's name and address, nominating instructor, institution, and course title must appear only at the beginning of the document.

Papers must be received by June 30, 1996.

The Cliometric Society Miami University Oxford, OH 45056 USA prize@cs.muohio.edu

Submission of a paper is a grant permitting The Cliometric Society to publish the work in the Society's Newsletter and in the Economic History Services fileserver. Runners-up may be invited to submit abstracts of their papers for publication.

## Call for Papers 1996 Cliometrics Conference

The Thirty-Sixth Annual Cliometrics Conference will be held at Vanderbilt University, May 17-19, 1996. Jeremy Atack and Robert Margo will serve as hosts.

The National Science Foundation continues its sponsorship for 1996. As in recent years, the Conference will be able to pay most expenses for the majority of participants. We encourage readers to share this announcement with colleagues and students.

Paper Proposals and Requests for Invitations Due Invitations Mailed to Participants Complete 24-Page Papers Due Conference Books Mailed February 1, 1996 March 1, 1996 April 1, 1996 May 1, 1996

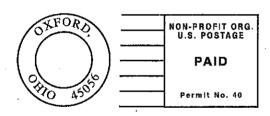
Membership in The Cliometric Society is not a consideration for Conference participation. Anyone who wishes to attend the Conference should request an invitation by writing to the Conference Secretary. Proposals should be three to five pages in length. Three copies of proposals should be sent to

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