

Canadian Cliometrics Meetings

The Fourteenth Conference on the Use of Quantitative Methods in Canadian Economic History was held at the Universit  de Montreal's Ecole des Hautes Etudes Commerciales, October 18 and 19, 1985.* This year's meeting was successfully organized by Angela Redish and Ruth Dupr . Ruth even provided us with an extensive guide to Montreal restaurants.

Forty-five people attended seven sessions on various aspects of Canadian growth and development, with the discussions ranging from the timber trade in Quebec as early as 1815 to economic policies of the present day government of British Columbia; from calculations of the early money supply to why the Bank of Canada was formed in 1935; and from whether the CNR was formed for the purpose of going bankrupt to why there were so few automobiles. Seven papers dealt with 19th century topics, eight with events of the 20th, while five spanned both.

The abstracts of the papers are attached, but may not reveal Ian Drummond's report of a seven fold increase in beer consumption in Ontario, Toni Day's discovery that when Canadian women returned to the labor force the number of hours they worked at home decreased from 55 to 35 while their spouses increased from 10 to 11, or the fact that Skip Fisher's paper is based on the 4 1/2 miles of records known as the "Agreements and Accounts of Crew" that Memorial University acquired in 1971 from the Public Record Office in London. These crew lists give a wealth of information on each crew member who signed on an ocean-going ship of the British Empire for the period 1863-1913.

Friday evening the group heard an address by Bill Parker on the role economic history has played in the education of economists. These remarks will introduce the book he is editing that include the papers presented at the last AEA meetings during the session titled "Economic History: A Necessary though not Sufficient Condition for an Economist".

The Canadian Conferences are held every 18 months with the next meeting being in March of 1987 at McMaster University in Hamilton. The program will be the responsibility of Ann Carlos with Wayne Lewchuk in charge of local arrangements. If you want to know more about the Canadian Conference contact Don Paterson, University of British Columbia, who is the secretary of the group.

*Since our previous Newsletter had referred to this gathering as the "Canadian Cliometrics Meeting," Bill Marr suggested that in the spirit of cliometrics their group should be known as "C²."

Postscript to J.R.T. Hughes' "Cliometrics: Memories and Predictions"

The following memo, recently discovered in a box of miscellany in John's attic, was sent in September, 1960 to Ron Stucky, then Associate Dean at Purdue. I am sure those of you interested in the origins of cliometrics will find it interesting.

TO: Director of Quantitative Research Institute

FROM: Lance Davis and John Hughes

SUBJECT: Seminar in Quantitative Economic History

It has been suggested by Dean Weiler, considering recent successes of work by Purdue scholars in quantitative economic history, that we take the initiative in organizing a series of colloquia to promote on a national scale the kind of work which has been so successfully pioneered by Purdue people. We feel that such a series would consolidate Purdue's position as the leader in this country in quantitative research in economic history. The enthusiasm aroused by our paper, delivered September 10 at the Philadelphia meetings of the Economic History Association, suggests to us that the time is advantageous for our Quantitative Research Institute to move in this area.

Moreover, it is our understanding that Professor Lloyd Reynolds at Yale has recently received a considerable sum of money to establish an institute of quantitative research in Economic History and Development. Since, at this time, virtually the entire modern literature in the United States in this kind of work has originated at Purdue, we think that we are in an excellent position to sustain our lead in what is evidently becoming a rapidly growing and well financed area of reserch in Economics.

We would like you to consider using funds from our institute to underwrite the cost of bringing to a colloquium at Purdue this fall twelve to fifteen of the best young scholars currently working in quantitative Economic History. At your request we will submit a

proposed schedule of sessions for the first colloquium, together with a list of scholars we wish to invite. It has been suggested that the first colloquium be held in late November.

1986 Cliometrics Conference

The 1986 Cliometrics Conference will be held May 9 - 11 at the Marcum Conference Center on the campus of Miami University. Those interested in attending should return the enclosed Call for Papers/Participants form.

Anyone may submit a paper, but they should be working papers or reports of work in progress. An abstract and at least part of the paper needs to be submitted for our consideration by February 1, with the completed papers due on March 28. These should be no more than 25 double-spaced typed pages. If you wish to attend the Conference but not submit a paper, please indicate this on the form. All those accepted for attendance, paper or no, will be notified in early March.

As most of you know, for the Cliometrics Conference the papers are circulated to all participants in advance, there are no formal presentations, and the sessions are entirely devoted to discussion, dissection and disarray. While we try to include as many interested members as possible, attendance will be limited by space and the budget. Graduate students and those who have never attended are particularly encouraged to submit their work. We have applied for an NSF grant and if it is received we will cover most of the travel, housing and meal expenses.

Election of Trustees

The Board of Trustes for the present will be made up of the five members to be elected, the editor of the EEH, and the secretary/treasurer of the Society. This initial Board will be called on to decide what activities the Society should pursue and if the number of trustees should be expanded.

Although the nominees were elected without competition for this first year, we want to make it clear that we seek broad representation in the future. Please feel free

Transferring Data

Between Microcomputers

The following is intended as the first of a series of short articles dealing with issues of practical interest and concern to those using microcomputers. It is intended for those who consider themselves less than sophisticated users. If reactions are favorable, future issues will address topics such as the transfer of text files, word processing, databases, statistical programs, compilers, and graphics. Suggestions are invited for other topics of interest and comments to the author and the editor are welcomed.

The last issue of this newsletter contained a number of advertisements from scholars soliciting data sets and offering to exchange their old data for someone else's new. The following is intended as a guide to the painless transfer of microcomputer data sets between users. It is based upon my own experiences with an IBM-PC, but much of the advice is more general.

The key to successful data exchange is the use of the standard ASCII (American Standard Character set for Information Interchange) character set. However, complications arise along the way.

1. The Transfer of Data Between Compatible Micros

Because of differences between software packages, program-specific files should not be exchanged unless both parties have rules, there are exceptions: for example, many IBM-PC (and compatibles) database programs can read DBASE II and DBASE III files. Note, however, that DBASE cannot read other program-specific files. Consequently, the best method of transferring data between micros equipped with compatible disk formats is to create a generic file.

I have found comma delimited files to be the most satisfactory. In this format, the variables are written as a string of ASCII characters, separated by commas, with a carriage return (ASCII 013) as the terminator for each record (observation). Most database programs can create such a file, so too can simple BASIC programs. For those using DBASE, this is accomplished by use of the COPY TO command.

When the data records themselves contain commas, then the variable strings should be

enclosed within quotation marks, with commas between the individual variables. I would urge everyone, however, to avoid commas in their data files.

Files written in this manner are easily read by BASIC programs if reformatting is desired and may be imported into all database programs that I have encountered. In the unlikely event that a character other than a comma should be required as a delimiter, commas are easily replaced through a "search-and-replace" command using your favorite word-processor, most of which can input and output ASCII files.

For files formatted in this way, the only key that the user requires is a list of the order in which the variables appear. It is, however, also helpful if the maximum field length for each variable is also indicated and a count on the number of observations given.

Lastly, consideration must be given to the computer operating system which controls the formatting of your diskettes. IBM and MS-DOS have gone through numerous revisions. Version 1.0 only supported single-sided disk drives, formatting diskettes holding a maximum of 160K of data. Version 1.1 supported double-sided disk drives and diskettes capable of holding 320K of data. Version 2.0 increased this to 360K, but still permitted the user to create either single-sided diskettes for 160K or double-sided diskettes of 320K useable on earlier versions of DOS. With double-sided disk drives selling for less than \$100 now, it is unlikely that anyone still uses single-sided drives but many people still use DOS 1.1. Therefore, double-sided diskettes should be formatted as 8-sector disks to hold 320K.

People using IBM-ATs and similar machines equipped only with a 1.2 megabyte (high density) floppy drive are advised that these cannot reliably write regular 320/360K floppies and that data diskettes should therefore be written on a machine with a 320/360K drive.

2. Transfers Between Incompatible Systems

The only way to transfer data between incompatible computer systems (e.g. Apple or CP/M system to IBM DOS) easily is via a modem and telecommunications package. Formats for the data should follow those described above. For long distance telecommunications, a package with an error checking protocol such as Xmodem is recommended especially if 1200 baud is used on one of the poorer quality telephone lines that are now common. If the computers are in close physical proximity then they may be interconnected between their serial ports (RS 232C) using a null modem cable (available from electronic stores such as Radio Shack or from your computer dealer) and the data transferred by telecommunications package set up in direct connect mode.

For successful telecommunicating, users need to establish protocols prior to connection: Baud rate (300 or 1200), parity (odd, even, or none), number of data bits (7 or 8) and the number of stop bits (0, 1, or 2). In addition, one of the parties should have their modem set to "Answer," the other to "Originate." This establishes the frequencies at which the modem expects to receive and transmit data so that one transmits data at the same frequency at which the other expects to receive data. The user with the "Originate" modem then customarily initiates communications by dialing the number of the other modem. If the data is standard ASCII then 7 data bits and one stop bit is fairly common. If, however, the text may contain high-order or extended ASCII characters (ASCII value > 127) that are often used by word processing programs for formatting or special characters, then 8 data bits must be used.

Be aware that the time taken to download long data sets can be considerable, even at 1200 baud. In practice, it takes about a minute to transmit 100 lines of information. Times are proportionately longer at 300 baud.

[People with IBM-PCs or compatibles may send a blank, formatted diskette to me together with a self-addressed envelope of adequate size if they want a copy of PC-TALK III telecommunications package. This is a FREEWARE user-supported package which

asks, but does not require, that users send a nominal fee (\$35) to the person who wrote it (the late Andrew Fluegelman -- monies presumably go to his estate).]

3. An Example

Consider the Bateman-Weiss samples from the Censuses of Manufacturing. These data were originally on 80 column punch cards with three cards per firm. The first records of an ASCII comma delimited file of these data might appear as:

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211,1,1,20,300,2,0,0,45,0,0,3,0,0,197,15
00,100,13,500,25,0,0,0,0,0,0,52,0,750,0,0,
0,0,0,0,0,0
```

This contains all essential information when a key to the order of the variables is provided. In this case, the fields are industry (211), state (1), county (1), city (20), capital invested (300), male (2), female (0), and juvenile (0) employment and wages (45,0 and 0), motive power source (3), horsepower (0) and number of units (0), and then data on four inputs and outputs, with codes for the type of good, the quantity of it and its value. There were only two inputs. The first input is type 197, in quantity 1500 and valued at 100; the second, 13, in quantity 500 with a value of 25. Six zeros separated by commas follow, indicating no data for the other two inputs. The firm also produced one product, code 52, quantity unspecified, but valued at 750. Nine zeros follow indicating no data for the remaining fields and a carriage return follows the last zero indicating an end to the record. These data could be written on disk or sent by telecommunications.

One final suggestion is that you provide a hard copy of at least the first few and last observations so that the data can be verified. This is often reassuring.

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to nominate any member for next year's trustee. Also, please contact any board member or the secretary/treasurer with suggestions for the Society or Newsletter.

Membership Dues & Subscriptions

Now that we are issuing three Newsletters a year our costs have gone up considerably. While we want to make it as easy and as inexpensive as possible for you to maintain membership in the Society, we still need to cover most of our costs with your dues. So, we are raising our dues and offering the opportunity to enroll for up to three years at \$5, \$10 and \$15. For subscribers to EEH, the combined one-year membership and subscription rate (\$34) offers substantial savings. Overseas members/subscribers who do not have US dollar accounts, please send enough extra to cover our transaction costs.

If you wish to receive future newsletters, abstracts, directory of members, etc., PLEASE RENEW PROMPTLY.

Coming in the Next Newsletter...

The abstracts of the All-UC Conference in Economic History, held on November 15-17 at Asilomar, will be enclosed in our April Newsletter. The sessions were organized by Harry Schriber of the Univ. of California at Berkeley and Peter Lindert of the Univ. of California at Davis. (See the related item under Classifieds.)

Jeremy Atack will contribute another column expanding on the use of computers when dealing with historical data.

And more.

Classifieds

The deadline for submissions to the Classifieds for the April Newsletter is March 15. Note that this is a place to make free announcements, advertisements or want ads. Please tell your recruiting committees to send us announcements of job openings in economic history.

ANNOUNCEMENT: The 1986 North American Winter Meetings of the Econometric Society will be held in New Orleans, December 28-30, 1986. The meetings will include sessions in the area of Quantitative Economic History. Papers will be basis of abstracts submitted by contributors. Proposals for papers should be received no later than April 15, 1986. Proposals should be sent to: David Galenson, Dept. of Economics, Univ. of Chicago, 1126 E. 59th St., Chicago, IL 60637.

CLIOMETRICS COMPETITION #1: In any useful historical sense, centuries have a habit of never quite ending on time. For example, Queen Elizabeth inconveniently lived until 1603, extending the 16th century quite unnecessarily. The French truncate the 18th century by having a revolution and then prevent the 19th century from beginning by following the rampaging Napoleon. The 19th century begins only after Waterloo (and by this chronology the French Revolutionary and Expansionary wars belong to no specific century). The years 1900-1913 often more properly belong to the 19th century.

For many economic issues such as an analysis of British capital exports, industrialization in Italy, Canadian prairie settlement, and US industrial organization history, the only appropriate phrase to describe the relevant period of study is: "at the end of the 19th and beginning of the 20th centuries." This ugly phrase denotes the period circa 1890-1914. Readers are invited to invent and submit a short, pithy phrase which adequately describes this awkward period; the phrase should be general enough in allusion, metaphor, or description to permit it to become the industry standard.

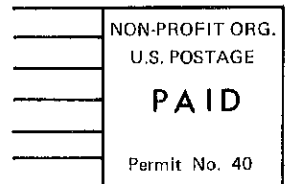
Prizes will not normally be awarded, but in this case the best submission will receive an autographed copy of Don McCloskey's "Did Victorian Britain Fail?" *E.H.R.*, Second Series, XXIII, No. 3 (1970), 446-459 in which there is the famous conclusion: "Indeed the failure, to be precise, was Edwardian." D.G. Paterson, Dept. of Economics, Univ. of British Columbia, #997-1873 East Mall, Vancouver, B.C. V6T 1Y2 Canada

ANNOUNCEMENT: The University of California Inter-Campus Group in Economic History will host an international conference on the economic and social history of economic security in the U.S. and U.K. during the 19th and early 20th centuries. Topics will include the history of poor relief, saving behavior, the insurance industry, children as assets, and other related topics. The conference will be held in Laguna Beach, CA. on May 2, 3, and 4, 1986. Conference organizers are Joan Hannon (Univ. of Calif., Berkeley), Roger Ransom (Univ. of Calif., Riverside), Richard Sutch (visiting Caltech for 1985-86), and Charles Wetherell (Laboratory for Historical Research, Riverside). Those interested in further information are encouraged to write to the organizers in care of Charles Wetherell, Laboratory for Historical Research, Univ. of Calif., Riverside, CA. 92521. "We won't know you are interested if you don't write."

NEEDED FOR QUANTITATIVE HISTORY OF U.S. STATE AND LOCAL FINANCE. With NSF support, J. Legler (Georgia), J. Wallis (Maryland) and I are attempting to cast the record of U.S. state and local public finance (expenditures, revenues, debt) 1790-1980, in a form comparable to the existing annual series for the federal government. Governmental records are the primary sources, but we would like to locate secondary works (monographs, theses, etc.) in which some of this work may already have been done for particular states and localities. It appears to have been a popular research topic between 1890 and 1930. Please send obscure and not so obscure references to: Richard Sylla, Dept. of Economics, Box 8110, N.C. State University, Raleigh, NC 27695.

ANNOUNCEMENT: For 1986-87, the All - University of California Group in Economic History contemplates a conference on "Peasant Transitions." Some non-University of California participants will be invited. For further information contact: Peter Lindert, Dept. of Economics, Univ. of California, Davis, CA 95616 or Kenneth L. Sokoloff, Dept. of Economics, UCLA, Los Angeles, CA 90024.

THE CLIMETRICS SOCIETY
 DEPARTMENT OF ECONOMICS
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ABSTRACTS OF THE FOURTEENTH CONFERENCE ON THE USE OF
QUANTITATIVE METHODS IN CANADIAN ECONOMIC HISTORY

October, 1985

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The Development of Manufacturing in Urban Areas in Central
and Western Canada during Depression and War

The aggregative data used by D.R. Fullerton and H.A. Hampson (Canadian Secondary Manufacturing Industry, R.C.C.E.P., 1957), to analyze the development of manufacturing in Canada up to the mid-1950's do not reveal some interesting inter-urban differences in the pattern of that development, while longer-term changes in the structure of manufacturing, begun by the 1920's, can be shown more clearly with disaggregated data to have continued through the years of the depression of the 1930's and the Second World War.

There are annual manufacturing data for eight Canadian urban areas (Toronto, Montreal, Winnipeg, Vancouver, Hamilton, Ottawa, London, and Calgary), that cover the period from 1932 to 1945. Instantaneous rates of growth can be used to describe the relative absorption of resources into an industry, and into a particular geographic area. Ranking manufacturing industries in each of the eight cities by the average instantaneous rates of growth over the period, of value added, gross output, wages and salaries, the number of employees, the number of establishments, and productivity, provides a means by which the development of the regional and inter-industry structure of manufacturing in Canada can be analyzed.

Manufacturing in Canada became more diversified in every one of these cities during the 1930's and early 1940's, but relative to one another, the cities became specialized. Thus some cities were affected more than others by the Depression; some benefited more from the war; and some were left with higher levels of productivity and wage rates by the end of the period.

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Why was the Bank of Canada formed in 1935?

The reasons we argue for the timing of the formation of the Bank of Canada in the mid 1930's were: (a) the final breakdown of the Gold Standard with Britain's departure from gold in 1931 and the U.S. departure in 1934; and (b) the perceived instability of the U.S. banking system 1930-33 and hence,

the unavailability of the traditional lender of last resort. The need for a central bank represented a search for a new anchor to the monetary system.

Our approach is to model the pre-1935 Canadian banking system as a 'competitive' system of branch banks, operating on the Scottish model as outlined by White (1984), with the ultimate backing of convertibility to gold, regulated in part by the Canadian Bankers Association (and later the Finance Act) and with access to the New York money market (and after World War I to the government via the Finance Act) as lender of last resort. We then examine the possible effects on the system of a removal of the convertibility constraint and the lender of last resort.

Evidence for our explanation will be provided by an examination of historical documents, statements of chartered bank officials, government officials, testimony at the McKillop Commission and academic writings.

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The Economic Basis of Toronto and Hamilton -
Early Development in the Nineteenth Century

A review of the literature on the growth of Toronto and Hamilton from 1800 and 1850 reveals a common premise: Toronto and Hamilton experienced accelerating rates of population growth during the period because of the growth of a "basic industry" in their hinterlands. The industry was wheat production. Settlement of the hinterland and development of the wheat and flour export trade was the main basis of the growth of the towns.

As the hinterland developed and transportation networks improved, farm crops (the economic base) diversified and the two towns added functions such as wholesaling to serve a growing rural and urban population.

Data on shipments into and out of Toronto and Hamilton by water and rail will be examined to show that the economic base of Toronto and Hamilton diversified fairly early in the first half of the 19th century as the destination and sources of Southern Ontario trade changed with the opening of the Erie Canal and subsequent water and rail developments.

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Living Standards of Workers in Toronto Prior to 1914

This paper reports a price index for the quarter century between 1890 and 1914 by combining price quotations from previously unused sources (to measure rent, clothing and house furnishings) with those available in Industry into the Cost of Living in Canada, and the Labour Gazette (to measure food, utilities, alcohol and tobacco). The paper also reports a weighted index of wage rates for the period 1900-1914 employing data in Wages and Hours of Labour in Canada, 1901-1920. The paper begins with construction of a Toronto retail price index for the years 1890 to 1914 in which consideration is given to sources of data, the selection of expenditure weights, and to the approach adopted for the respective sub-groups that taken together constitute the index. A second section outlines the method of constructing an hourly money wage rate series for 1900-1914 that includes a selected group of blue collar trades. The third section brings together the newly estimated indexes of the wage and price level to derive an index of hourly real wage rates for 1900-1914, the period of primary interest.

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The Impact of Technological Change on Women's Home Work

This paper investigates the substitution of capital for labour in household during the twentieth century. Factors influencing household purchasing decisions include income levels, labour force status of wives and the nature of the good. A household production function model is used to compare purchasing decisions for eight standard appliances. The results suggest that certain goods significantly decrease the labour time spent in production while others do not. Income and substitution effects are analyzed with the substitution effect demonstrating greater influence. Finally, the effects of changing technology on patterns of household for both employed and non-employed women are considered.

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Structural Changes in Wholesale and Retail Trade: Ontario

This paper analyzes the structural changes in wholesale and retail trade in Ontario—department stores, mail order houses, chain retailing, liquor, alterations in wholesaling, appearance of new sorts of goods and retail services—between 1870 and 1940. The paper is quantitative but not econometric.

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A Politico-Economic Model of
Quebec Government Spending, 1867-1969

In this paper, a politico-economic model of government spending behaviour is developed and used to analyze the evolution of Quebec government different types of expenditures over the period 1867-1969.

In the tradition of Downs, Breton and the Public Choice School, it is assumed that government maximized its own utility. It had thus two objectives: higher popularity levels to ensure a larger probability of reelection and larger expenditures. The latter are divided into two types: vote-getting expenditures (such as road building) which affected and were affected by government popularity, and expenditures with no historically obvious electoral virtue such as outlays on education, health and welfare or law and order. It is argued that the latter (and even to some extent the former) types gave government satisfaction for motives a la Breton: imprint on the society and the economy, and image in history.

From the maximization of this utility function under a budgetary constraint, equations are derived from popularity, "populac" and other expenditures. The expenditure equations are further defined to obtain a separate one for each different category. Thus, six functions are estimated first treating the 102-year period as a whole and secondly dividing it into three subperiods: 1867-1914, 1915-1943 and 1946-1969.

In all cases, the government popularity was strongly related to political events such as the Confederation issue during the two World Wars or Riel's hanging in 1885 or the Bate des Chateaux Railway scandal of 1891. Policy variables like electorally popular spending, deficits and taxation also played a significant role but the state of the economy did not.

Education and health-welfare expenditures were affected by provincial income per capita, government revenue, urbanization, age structure and the presence of the Catholic Church. Our two categories of "popular" expenditures, transportation and agriculture, were assumed to have been determined by the government popularity level and various economic and socio-demographic variables such as the number of automobiles and the percentage of the population engaged in farming. Unfortunately their estimation results are not satisfactory and their specification needs some refinement.

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Jack Tar's Emoluments: Seamen's Wages in the Eastern
Canadian Shipping Industry, 1863-1913

The history of wages in Canada remains an underdeveloped field. Few adequate time series exist for any industry, particularly in the nineteenth century. This paper is an attempt to remedy that defect for one segment of Canadian industry: the maritime sector. Using material collected as part of the Atlantic Canada Shipping Project, it is now possible to present and analyze wages paid to seamen. More than one million seamen are currently in the computer file; a portion of them (those who joined vessels in eastern Canadian ports) will be utilized in this study.

Time series will be presented by port, intended trade route, capacity, age, type of vessel, and birthplace. The time series will not simply be valuable in themselves, however. Through statistical techniques it will be possible to examine the various variables collected for each seaman to come to a preliminary determination about the causes of wage levels and wage fluctuations.

A final section of the paper attempts to put the Canadian experience into an international perspective. More than 250,000 cases of seamen's wages have been systematically collected and analyzed for the British merchant marine, and I have recently completed a file on 550,000 Norwegian seamen as well. By comparing the Canadian experience with those of other nationals, the levels and patterns of seamen's wages will be more completely understood. It is expected that the results of this analysis will be of interest not only to Canadian economic historians but also to those who seek to understand wage history abroad as well.

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International Capital Movements and the Gold Standard: British
Domestic Investment and American Railroads in the 1880's

This paper develops the argument that British lending to the United States resulted from an unpredictable increase in American railroad building. This episode is then studied as an event in which the mechanisms involved in international transfer can be studied. Of particular interest is the smooth transfer from Britain in which the balance of trade improved without inflationary pressure because domestic investment fell. Close investigation of theoretical models and historical detail suggests, however, that the decline in investment was fortuitous rather than the result of macroeconomic adjustment.

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Cotton Lords in Pursuit of Monopoly Rents, 1889-1913

Historians believe that by World War I a few large firms in the Canadian cotton textile industry were exercising considerable monopoly power. We argue that their belief is justified, but not by the evidence they advance. A simple economic model is developed to provide the first rigorous test for the presence of monopoly power - a variant on Lerner's familiar price over marginal cost test. Following a brief examination of structural indicators of monopoly power, we proceed to a comparison of two Canadian wholesale price series for grey cottons, 1873-1913. One is an actual historical time series, the other a hypothetical series produced on the assumption that sufficient collusion was achieved to set price at the joint profit maximizing level. The ratio of the two provides a measure of the degree of monopoly power. By the early 1890s it appears that monopoly had triumphed over competition in Canadian cotton textiles.

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The Rise and Decline of Steel Production in Nova Scotia

Recent literature on the steel industry explains the early decline of production in Nova Scotia on the basis of inappropriate government policy and

the inevitable workings of a capitalist market. The nature of the resource base, which once had dominated discussions of the Nova Scotia industry, have dropped out of the discussion. In this paper the cost, quality and role of resources is re-assessed.

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The Formation of the CNR: An Economic Analysis

The purpose of this paper is threefold. First, we wish to determine the extent to which the takeover by the federal government of the Canadian Northern, Grand Trunk and Grand Trunk Pacific was a bailout of the creditors of these railway systems. Second, we will analyze possible reasons for the decline of these railways. Third, we will examine the institutional relationship between the railways and the federal government and try to determine the extent to which that relationship influenced railway policy with regard to the construction of new lines.

* * *

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Urban Unemployment in 1931

This paper presents a preliminary analysis of the unemployment data in the 1931 Canadian census for the larger urban centres. The census provides information on weeks worked, earnings, age and sex structure of employment for over 200 occupations in each city. We wish to explain the differential incidence and duration of unemployment within and across cities so as to test a variety of hypotheses about unemployment in the depression, particularly the extent to which interoccupational and geographical mobility could improve workers' chances of maintaining continuous employment.

* * *

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The Timber Trade and Upper Canadian Development, 1815-1846

This paper examines the growth of Upper Canada during the period of high timber preferences for British North American timber in the British market. Using new quantitative evidence on the composition of the timber trade the study argues that rather than a monolithic trade, the trade was composed of several elements (pine, ashes, lathwood, sawn lumber, and others) all of which served different demands. Furthermore, the forest products industries gave rise to an agricultural sector - and new evidence of this derived demand is presented - which eventually came to dominate in exports.

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The Supply of Canadian Money: 1842-1871

This paper presents new estimates of the supply of Canadian money for the mid-19th century. It uses the estimates and its underlying components (interest and non-interest bearing deposits, notes, and others) to describe the main cyclical features of the economy. The paper pays particular attention to the rapid expansion and subsequent contraction associated with the depression of 1857 - which in Canada was spread over a longer time period and whose crisis phase lacked a banking collapse. Emphasis is also placed on the emergence of the seasonal pattern of money supply movements associated with the annual agricultural harvest cycle.

* * *

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Canada

The Enigma of the Demand for Automobiles in Quebec: 1907-1970

Historical statistics tend to show that Quebecers have been consuming less cars per capita than Canadians from almost any region since 1907. A cursory examination of the data reveals that this trend has continued until recently although the gap seems to be slowly closing. The purpose of this research is to try to explain this simple but puzzling fact.

A number of explanations will be considered and statistical (regression and time-series) analysis of historical data on incomes, prices, government policies and various demographic variables will be utilized to test the alternative explanations.

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A Study on the Distribution of Wealth and Inequality in
Canada in the Late Nineteenth Century

This paper seeks to examine the extent of inequality in the distribution of personal wealth in Nova Scotia in 1871 and compare the degree of wealth inequality with more recent distributions.

The primary data for this paper has been drawn from historical documents, i.e., the estate papers of probated decedents, the death records for Nova Scotia and the census of 1871.

To estimate the distribution of wealth, the estate multiplier technique was applied to the sample data by scaling up the sample of probated decedents using age-sex specific mortality multipliers as weights to arrive at approximate but fairly accurate members of living probate type wealthholders by age, sex and wealthholding. The wealthholdings of nonprobate type wealthholders were estimated using the concept of the Paretian distribution.

The construction of a life cycle savings model has made possible the estimation of the inequality in the distribution of bequests and the present value of life income of living wealthholders of more than a century ago.

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Electrification in Canadian Manufacturing 1900-1929 and the
Nationalist-Continentalist Controversy: An Induced Innovation Approach

The environment in which Canadian industrialists operated was radically transformed in the first three decades of this century. The electrification of manufacturing processes had a profound impact on production technology as industries switched from direct drive technology based on coal, steam and waterpower to unit electric drive based on purchased electrical power.

The process of adjustment to this new power source is for the first time considered in this paper in terms of substitution between fuel and primary inputs, capital and labour, and in terms of biased technical change. By constructing a new data set of factor shares and prices in Canadian industries in the 1900-1929 period and by constructing an explicit optimizing model of technical change, we have been able to use relatively simple methods in order to classify theoretically and empirically the nature of the technological response made in Canadian manufacturing to electrification and to changing factor market conditions.

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