



**LAKEHEAD UNIVERSITY  
DEPARTMENT OF ECONOMICS**

**ECONOMICS 3319: Canadian Economic History  
Fall 2019**

Tuesday and Thursdays, 4:00 -5:30 pm, RB 3049

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The economic history of the Canadian economy from the colonial era to approximately the end of the Second World War represents the foundations of modern Canada. Economic analysis is used to explain the pace and pattern of Canadian economic development. In particular, we will study Canada's transition from a primarily natural resource economy to a manufacturing economy. The course aims to impart both knowledge of Canada's economic past, a theoretical framework to interpret it and an understanding of the methods and techniques used to study the economic past.

## **A. Texts & Resources:**

### ***I. Recommended***

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

### ***II. Miscellaneous Supplementary Sources***

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

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

Di Matteo, L. (2017) A Federal Fiscal History: Canada, 1867-2017. Fraser Institute.

Easterbrook, W.T. and H.G.J. Aitken, Canadian Economic History, University of Toronto Press, 1988.

Easterbrook, W.T. and M.H. Watkins eds. Approaches to Canadian Economic History Carleton Library No. 31, 1988.

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

Marr, William L. and Donald G. Paterson Canada: An Economic History, Gage, 1980.

McCalla, D. and M. Huberman eds. Perspectives on Canadian Economic History 2nd Edition, Copp Clark Longman, 1994.

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

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

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

### ***III. Data Sources***

Historical Statistics of Canada. Available on-line at:

<http://www.statcan.gc.ca/pub/11-516-x/3000140-eng.htm>

## **B. Course Requirements:**

Mid-Term Tests - 2X20% (Test 1 October 3<sup>rd</sup>; Test 2 November 5<sup>th</sup>).

Term Paper - 20%. (Due November 28<sup>th</sup>)

Final Exam - 40% (Take home final).

## **C. Office Hours**

Tuesday and Thursdays, 2:30 to 3:30 pm.

## **D. Learning Outcomes**

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

## **E. Thematic Outline and Readings**

### ***I. Introduction***

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

**\*\* *Norrie and Owram, pp.ix-xxx.***

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

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

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

### ***II. The Staples Approach to Economic History***

#### (1) Staples' Approach/ Booming Sector Models/ Export-Led Growth

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

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

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

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

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

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

Watkins, M. "A Staple Theory of Economic Growth" *Canadian Economic History*, eds. Watkins & Grant, pp. 19-38.

### **III. Rostow's Stages of Growth Approach to Economic History**

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

Rostow, W.W. The Stages of Economic Growth, 2nd. ed. Cambridge University Press, 1977.

### **IV. Neoclassical Economic Approaches to Economic History**

#### **(1) Neoclassical Growth**

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

#### **(2) New Institutional Approach**

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

Hoffman, P.T. (2018) Institutions. Handbook of Cliometrics, C. Diebolt and M. Hauptert, eds. Chapter 34.  
North, Douglass C. Institutions, Institutional Change and Economic Performance, Cambridge University Press, 1991.

North, Douglass C. Structure and Change in Economic History, W.W. Norton, 1981.

#### **(3) Overall View of Canadian Development**

### **V. Economic Development Prior to 1850**

- Topics:
- (i) The Fisheries.
  - (ii) The Fur Trade: Emphasis on the Northwest Company/  
Hudson's Bay Company Duopoly Period from 1784-1821.
  - (iii) Timber Trade, Agriculture & Commerce: A quick  
survey of some of the features of these areas.

Carlos, A. and E. Hoffman "The North American Fur Trade: Bargaining to a Joint Profit Maximum Under Incomplete Information, 1804-1821" JEH, Vol. XLVI, 1986 pp. 967-986 and in Perspectives on Canadian Economic History 2nd Edition, pp. 38-56.

Innis, H.A. The Fur Trade in Canada.

McCallum, J. Unequal Beginnings Agriculture and Economic Development in Quebec and Ontario until 1870, University of Toronto Press, 1983, pp. 3-45, 115-122.

Morton, W.L. "The Northwest Company Pedlars Extraordinary" Minnesota History Winter 1966, pp. 157-165.

**\*\*Norrie, Owram, Emery pp. 1-183.**

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

### **VI. Statistical Evidence on Canadian Economic Growth**

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

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

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

Green, A. and M. Urquhart, "New Estimates of Output Growth in Canada: Measurement and Interpretation" Perspectives on Canadian Economic History ed. D. McCalla and M. Huberman, 1994, 158-176.

**\*\*Norrie, Owram, Emery. 185-192.**

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

## **VII.     *The Industrialization of Central Canada***

- Topics:     (1)     Manufacturing Development in Ontario and Quebec  
              (2)     Saving and Industrialization

McCallum, J. *Unequal Beginnings*, pp. 83-122.

**\*\*Norrie , Owram and Emery pp.212-231.**

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

## **VIII.    *The Prairie Wheat Economy***

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

Chambers, E.J. and D.F. Gordon, "Primary Products and Canadian Economic Growth" in *Perspectives on Canadian Economic History*, pp. 201-220.

Pomfret, R. Chapter 8, pp. 182-211.

**\*\*Norrie , Owram and Emery, 193-211.**

## **IX.     *Government Policy and the Economy***

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

Aitken, H.G.J. "Defensive Expansionism: The State and Economic Growth in Canada" *Approaches to Canadian Economic History*, Carlib No. 31, pp. 183-221.

Di Matteo, L. (2017) *A Federal Fiscal History: Canada, 1867-2017*. Fraser Institute.

George, Peter "Rates of Return in Railway Investment and Implications for Government Subsidization of the CPR" *Canadian Journal of Economics*, 4, 1968, 740-62.

**\*\*Norrie, Owram and Emery, 158-181; 232-254; 200-210, 261-301.**

Pomfret, R. Chapter 5, pp.90-123; Chapter 6, 124-150; Chapter 12, pp. 262-290.

## **X.     *Regional Variations in Economic Development***

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

Alexander, David G. "Economic Growth in the Atlantic Region, 1880-1940" in *Atlantic Canada and Confederation* Compiled by E.W. Sager, L.R. Fisher & S.O. Pierson, University of Toronto Press, 1983.

Di Matteo, L. (1999) "Fiscal Imbalance and Economic Development in Canadian History: Evidence from the Economic History of Ontario," *American Review of Canadian Studies*, 29, 2, 287-327.

Di Matteo, L. "The Economic Development of the Canadian Lakehead During the Wheat Boom Era: 1900-1914" *Ontario History*, Vol. LXXXIII, No. 4, Dec. 1991, 297-316.

Di Matteo, L. "Evidence on Lakehead Economic Activity From the Fort William Building Permit Registers, 1907-1969" *Thunder Bay Historical Museum Society, Papers and Records* , XX, 1992, 37-49

Inwood, K. and J. Irwin, "Land, Income and Regional Equality Inequality: New Estimates of Provincial Incomes and Growth In Canada, 1871-1891", *Acadiensis*, XXXI,2,2002,157-184.

Nelles, H.V. *The Politics of Development: Forests, Mines and Hydroelectric Development in Ontario, 1849-1941*, Toronto:MacMillan, 1974.

**\*\*Norrie, Owram and Emery, 302-316.**

Pomfret, R. Chapter 11, pp.244-261.

## ***XI. Wealth Inequality in Canada in the Late 19th Century***

- Topics:       (1)     Measuring Inequality: Why and How.  
              (2)     Nova Scotia and Wentworth County: Case Studies.

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

Di Matteo, L. "The Determinants of Wealth and Asset Holding in 19th-Century Canada: Evidence from Microdata," *Journal of Economic History*, 57, 4, 1998, 907-934.

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

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

Paquet, G. and J.P. Wallot, "Economic Strategy of the Habitant Landholder: Quebec 1790-1983" *Perspectives on Canadian Economic History*, 2nd edition, pp. 60-86.

## ***XII. The Great Depression in Canada***

- Topics:       (1) WWI and Interwar Period  
              (2) Impact of the Great Depression on the Canadian  
                    Economy.  
              (3) Explanations of the Great Depression.

Green, A.G. and M. MacKinnon "Interwar Unemployment and Relief in Canada," *Perspectives on Canadian Economic History*, 2nd Ed., pp. 224-262.

**\*\*Norrie, Owram and Emery 256-301, 317-341**

Pomfret, R. pp. 237-243.

The Rowell-Sirois Report eds. Donald V. Smiley, Carlib No. 5 pp. 160-190, 1972 (orig. published 1940 as Royal Commission Report on Dominion-Provincial Relations).