

UNIVERSITY OF TORONTO
Department of Economics

ECONOMICS 321Y1Y: Canadian Economic History
Winter, 2012

This course will survey literature on Canadian economic history between 1850 and 1960 with a focus on the debate over the ability of the market mechanism to optimize economic development. Kenneth Norrie, D. Owsram, and J.C. Emery's *A History of the Canadian Economy* (Thomson Nelson, 2002) or Richard Pomfret's *The Economic Development of Canada* (Nelson Canada, 1993) are useful texts but you may wish to refer to Easterbrook and Aitken or the articles suggested for each lecture.

Starting with our second meeting (January 17), our class time will consist of a seminar during the first hour (2:10 – 3PM) and a lecture during the second and third hours (3:10 – 5PM). I will provide photocopies of my lectures and of some articles at cost. The seminars will entail discussions of the previous lecture led by students who will have each read one of the articles listed below on the topic.

There will be one exam: a three hour final, worth 25% of the total mark, in the final examination period. The exam covers only the material in the lecture notes. Each student must also write a 15 page essay (12 point type, double spaced, normal margins) critically examining all the articles and books on a topic chosen from a list that I will provide. The paper is due March 20 and is worth 20% of the total mark. Students are encouraged to look up additional sources to expand their research but you need not do so. The essay must be handed to me during my office hours or class time. The penalty for lateness is 5% for the first week (March 27) and 15% for the second week (April 3). Essays that are a week or more late will not be eligible for remarking. All students must hand in two copies of the essay and be preferred to submit to Turnitin if asked.

There are also 5 participation marks. Students must give a 1 page presentation (12 point, double spaced, and with normal margins given to me immediately before the presentation) for 1 mark and the right to get 4 marks for commenting during 4 discussion periods (1 mark per discussion period). You must give a presentation to get any participation marks!

Kieran Furlong k.furlong@utoronto.ca
Office Hours: Wednesday 2:10 – 4:00PM in GE344 (Economics, 150 St. George)

OUTLINE OF LECTURES AND READING LIST

(Bracketed references refer to Easterbrook and Aitken (EA) and Norrie (N))
(* refers to articles posted on the website; # refers to articles in the lecture package)

January 10 The Reciprocity Treaty, 1855 -1866 (N: Ch. 8)

"The Canadian-American Reciprocity Treaty of 1855 to 1866"

L.H. Officer and L.B. Smith. *Journal of Economic History* (1968) 28, 598-623 *

"The Receptrocity Treaty of 1854"

Robert E. Ankli, *Canadian Journal of Economics*, Vol. 4, No. 1(Feb. 1972), 1-20 *

January 17 Agriculture in Lower and Upper Canada, 1800-50 (Ch. 3, 37 – 5, Ch. 5 & 6)

"The Rise and Fall of the Ontario Wheat Staple" (Ch. 2, 9-24) and "The Agricultural Crisis in Quebec" (Ch. 3, 25-44), John McCallum. in *Unequal Beginnings: Agriculture and Economic Development in Quebec and Ontario until 1870*. Toronto: 1980. 25-44. #

<http://site.ebrary.com.myaccess.library.utoronto.ca/lib/utoronto/docDetail.action?docID=10200863>

January 24 The Economic Background of Confederation (N: 158 – 163, Ch. 10)

"The Economic Objectives at Confederation", Donald Creighton #

The Causes of Canadian Confederation, Ged Martin. 1990 #

January 31 The National Policy: Dominion Lands Policy and the CPR
(EA:Ch. 16, 17, 18; N: 196-203)

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“Development and Integration of the National Policy”, Vernon Fowke in
The National Policy and the Wheat Economy. Toronto, 1957. 41-69 #
"Rate of Return in Railway Investment...of the CPR..."
Peter J. George. *Canadian Journal of Economics*, 1968. 1:740-62.*

February 7 **Manufacture and the National Policy Tariff** (EA:Ch. 21; N: 163-9, 216-22)
"National Policy" and "Tariff and Industrial Expansion". O.J. McDiarmid #
Commercial Policy in the Canadian Economy. Cambridge, Mass.: 1946. 154-61, 338-254
The Tariff and Competition in Canada, H.C. Eastman and S.Stykolt, 1966, 4-31 #

February 14 **The Post-1896 Prairie Settlement Boom** (EA: Ch. 20; N: 203-06)
"The National Policy and the Rate of Prairie Settlement: A Review",
Ken Norrie *Journal of Canadian Studies*, Fall, 1979
"The Origins of the Canadian Wheat Boom, 1880-1910", Tony Ward
Canadian Journal of Economics, 27, 4 (November, 1994), 865-883.*

February 28 **Maritime Economic ‘Backwardness’** (N: 312-314)
"The National Policy and the Industrialization of the Maritimes, 1880-1910" T.W. Acheson
Acadiensis, vol. 1, #1 (1971), 3-28.*
Inwood, Kris. "Maritime Industrialization from 1870 to 1910: A Review of the Evidence
and its Interpretation", *Acadiensis* 21, #1 (1991), 132-55 *

March 6 **Railways and British Portfolio Investment, 1900-1914** (EA:Ch. 18, N: 206-08)
Canada’s Balance of International Indebtedness, 1900-1913, Jacob Viner #
“Investment in Canada 1900-13”, A.K. Cairncross
Home and Foreign Investment, 1870-1913 Cambridge, 1953. 153-79 #

March 13 **Determinants of the 1896-1914 Boom** (EA: Ch. 20; N: 188 – 194, 208-11)
"New Estimates of Output Growth in Canada". A.G. Green & M.C. Urquhart in *Long-Term
Factors in American Economic Growth*. (Engerman & Gallman) 1986. 9-26.#
"Canadian Economic Development in the Wheat Boom: A Reassessment"
Marvin McInnis. Unpublished manuscript #

March 20 **The Great Depression and the 1930s Recovery** (N: Ch. 17)
"Conclusion", *The Canadian Economy in the Great Depression*
A.E. Safarian. Toronto: 1970. 233-247 #
"Understanding the Great Depression in the United States versus Canada” Pierre Siklos in
World Economy and National Economies in the Interwar Slump, Theo Balderston *

March 27 **Monetary Policy and the Bank of Canada** (EA:Ch.19;N: 241-5, 331)
"An Analysis of the Canadian Money Supply: 1925-34", Thomas Courchene
Journal of Political Economy, 77 (1969), 363-391 *
"Why did the Bank of Canada Emerge in 1935?", M. Bordo and A. Redish
Journal of Economic History, (June 1987) 47: 405-17 *

April 3 **Dominion-Provincial Relations** (P: Ch.12; N: Ch. 16)
"The Rowell-Sirois Report, Provincial Autonomy, and Post-War Canadian Federalism",
D.W. Smiley, *Canadian Journal of Economics and Political Science* (1962), 27: 55-69 *
"Impossible Conditions of Equality”, Barry Ferguson
Canadian Historical Review, v.84 #4 (December,2003), 551-83 *