
Newsletter 2025



From the Head



Sumon Majumdar

Dear Alumni and Friends of the QED,

Hope the year has started out well for you. As I sit writing this note in Kingston in early January, a proper Canadian winter envelops us. Reflecting on the year that just passed, the tune of change in QED continues (if you recall, I started last year's message with the Bob Dylan line "The Times They Are A-Changin"). Some of the changes are exciting, others less so.

This year, we accepted the first students into our reimagined and significantly revised undergraduate (UG) programs. Many of you will recall that we offer two main UG plans --- ECON and APEC (Applied Economics). Over the years, it was becoming harder to differentiate between the two; we took the opportunity provided by the introduction of new "modular majors" in the Faculty of Arts and Science to revamp both programs. The new ECON specialization and APEC modular major now have program-specific core courses, new empirical and econometrics requirements, and students in the APEC program can choose to specialize in one of four sub-plans: (a) Business and Market Strategy, (b) Data Analytics and Finance, (c) Global Issues and Policy, or (d) Policy Design and Evaluation. We are excited about these changes,

and hope that they will allow the APEC students to distinguish themselves on the job-market by providing them with more specialized empirical skills and training specific to their sub-plan.

Those in the ECON program will now be exposed to the most technical aspects of economic theory, finance, and econometrics, and we expect that these students will be even better prepared to pursue graduate work, research, and the most challenging career opportunities in all aspects of economics, business, and finance.

On the personnel side, three colleagues retired the past year: Profs. Chris Ferrall, James MacKinnon and Gregor Smith, and another two (Profs. Mike Barber and Rob Clark) left to join other prominent Canadian departments. Chris was a mainstay of our computational methods and structural economics courses for many years. He was a well-regarded PhD supervisor, with a long line of students who have gone on to do very well in their subsequent research careers. Chris was also instrumental in overseeing the QED website and keeping it functional. James of course is a QED legend, being at the department for fifty years, including 10 years as department head. He is a world-renowned econometrician, but his interests are diverse, and one would find him in the front row of most departmental seminars --- any that had at least one data point. James also realized the value of fundraising and as a department, we are thankful for his success on that dimension for the active seminar and conference series that we are regularly able to run. Gregor has been another pillar of the department, influencing several generations of QED students through his popular courses on macro and international. He also supervised many UG, MA and PhD students,

coached QED teams for the Bank of Canada competitions, and could be counted upon to raise his hand for the department whenever needed. Gregor's dedication to students, the department and the Canadian economics community is unmatched. They will all be much missed.

On the positive side, Dr. Abhimanyu Gupta joined the department this year as the BMO Chair and the Doug Purvis Professor. Dr. Gupta is a well-known expert in econometrics, and has wide-ranging research interests, including urban economics, corporate finance and history. Dr. Marcos Lee has been a Weatherall postdoctoral fellow here for the past year, and another post-doc, Dr. Stephanie Sunao, just joined the department, literally arriving in the middle of a snowstorm in early January 2026. They have all brought creative energy and expertise, enhancing the department's research environment, and teaching in our graduate and UG programs. I should point out that all these positions have been made possible through the generous contributions of QED friends and alumni. We are blessed to have such strong support, and this is what gives me confidence in our department's ability to weather the storm thrown up by the many challenges currently facing the university.

Our next alumni event will be in Toronto in the Fall. I hope to see many of you there. If you are in the Kingston area or passing through, please feel free to stop by the department. You will find that Dunning Hall is as it has always been, but more importantly, hopefully you will find that the core culture of QED where students and faculty readily interact to exchange intellectual ideas, has remained unchanged.

Conferences

The Inaugural Queen's WECAN Conference

by Alina Garnham (PhD Candidate)



WECAN Conference, 2025

On May 1, 2025, the QED and the John Deutsch Institute for the Study of Economic Policy (JDI) hosted the first Queen's WECAN (Women Economists in Canada) Conference at the Delta Hotel in Kingston. The one-day conference, envisioned and organized by professors Dr. Amy Hongfei Sun, Dr. Beverly Lapham, and Dr. Ming Xu, brought together researchers from across Canada to support and highlight the contributions of women economists in Canada.



(Left to right) Ming Xu, Beverly Lapham, and Amy Hongfei Sun

The day consisted of five presentations (all by women economists), with breakfast, lunch and coffee breaks allowing for networking and discussions throughout the day. Following the final presentation, there was a reception and dinner at Chez Piggy, providing an opportunity to continue conversations and build connections in a more informal setting.

The talks were engaging and covered a range of topics in macroeconomics. The speakers were Dr. Sophie Osotimehin (Université du Québec à Montréal), Dr. Luba Petersen (Simon Fraser University), Dr. Bettina Brueggemann (McMaster University), Dr. Nora Traum (HEC Montréal), and Dr. Claire Célérier (University of Toronto). Their work spanned areas including transportation productivity, monetary policy, firm dynamics, government spending, and labour economics.

The WECAN organizers plan to host the conference annually, each year spotlighting a different field within economics. This rotating focus will showcase the breadth of research being done by women across the discipline.

Dr. Sun, Dr. Lapham, and Dr. Xu created the conference to foster recognition and ongoing growth within the economics community, planting what Dr. Lapham described as a seed that, once grown into a tree, will bear fruit year after year. As she reminded attendees, we can, and we do, support women in economics.

Conferences

Celebrating James G. MacKinnon

by Matthew D. Webb (Carleton University) and Steven F. Lehrer (QED)



James MacKinnon

For 49 years, students, visitors, and faculty lived in fear of questions coming from the front row of the seminar room, mostly from James MacKinnon. For two days in September, many of these same people returned to Kingston to face one last barrage of questions from James. The QED hosted a two-day conference to celebrate James' retirement from the department after nearly 50 years of service. While James retired as of June 1st, 2025, he likes to remind people that he has only retired from teaching, not from research. As such, presenters should expect to continue to see James sitting in the front row of the conference room.

The conference took place on September 18th and 19th, with the presentations taking place at the University Club. The poster session and reception took place at the Delta hotel, followed by the conference dinner. The

night ended with speeches from the floor, which turned into a friendly roast where people had their chance to turn the tables on James. Lunch on the 19th was held in the QED conference room, which gave former students a chance to revisit their old stomping grounds.

Overall, there were about 120 participants at the event. The academic sessions were organized around the themes of former MAs, PhDs and postdoctoral scholars, former colleagues including his most frequent co-author Russell Davidon, Canadian Econometric Study Group members, and researchers who were inspired by James. The keynote speech was delivered by James's longtime friend Prof. M. Hashem Pesaran (USC and Cambridge University). There was substantial demand to present at the conference and the organizers faced tough choices in selecting 15 presenters and session chairs. The poster session consisting of an additional 16 presentations was held during the reception where the most popular choice by participants was to use their customized James conference drink ticket on a MacKinnon Brothers beer.

The event was a great tribute to James's remarkable career. Relatedly, James recently surpassed 50,000 citations on Google Scholar. Participants travelled from across Canada, the United States, England, Denmark, and Australia for the conference. While the majority of participants were academics, several alumni attended in appreciation of the impact that James had on their

education and careers. Many current faculty and grad students from the QED attended the conference as well, which was a nice way for the current and past generations of students to meet and mingle

Steve Lehrer and Matt Webb (Carleton University) organized the event. In addition to the QED, funding was provided by the International Association for Applied Econometrics.

Additional details, including the full conference program can be found on the conference webpage:

<https://www.econ.queensu.ca/about/events/celebrating-james-mackinnon-conference>



Conference drink ticket

Events

Alumni Reception 2025

This year's alumni reception was held on October 30th at the National Arts Centre in Ottawa. Although it was a rainy day, the event was very well attended. About 50 alumni joined, enjoying an evening of connecting with each other and catching up with former classmates and professors. It was great to see the wide age-range in the room, with alumni who had graduated in 1965 getting to know some who had just graduated. They all shared fond memories of their time at QED and Kingston, including looking back on their struggles with some courses and dealing with the quirks of classmates and professors. The mingling continued to the final minute of the closing time at 9 pm.

Several faculty and staff-members, along with a contingent of our current undergraduate, MA and PhD students made the bus-ride to Ottawa for the reception. In his speech, Department Head Sumon Majumdar thanked QED alumni and friends for their support over the years, and outlined several of the ongoing positive changes as well as challenges facing QED.

Join us next year

Our next alumni event is expected to be in Toronto in late Fall. Please make sure that we have your most recent contact information, including email address, by connecting with our department manager, Morgan Wilson, at econ.admin@queensu.ca.



Alumni reception



Fourth-Year Luncheon

Over fifty students gathered at the Donald Gordon Centre on a rainy nearly-spring day on March 20th for the fourth-year lunch. This event was restarted in 2024 after a few years of pause and provides a nice occasion for students on the verge of graduating to interact with their professors in a semi-formal atmosphere. Many dressed up for the occasion and the atmosphere in the room was lively. Several faculty members joined the event, together with alumnus Bryan Paterson (PhD 2006). Paterson, who is a professor of economics at the Royal Military College of Canada, is currently serving his third term as the mayor of Kingston. He spoke on the occasion, sharing his journey from QED to political office and how his background in economics has helped him navigate and make decisions in public service. Students were enthralled by his talk and several lined up to interact with him afterwards.

PIAR 25th Anniversary

2025 Program Review

by Mikhail Miklyaev



PIAR 2025

Over the summer, the John Deutsch International Executive Programs of the Department of Economics successfully delivered its 25th Program on Investment Appraisal and Risk Analysis (PIAR) on Queen's University's campus, marking a landmark anniversary for this flagship initiative.

Participants from across the globe acquired the theory and practical application of investment appraisal methods to implement such systems in their respective organizations and governments successfully. The curriculum, contact hours, and method of participant assessment remain equivalent to those covered by two graduate-level courses in applied economics and finance.

Our Training of Trainers (ToT) stream continues to serve as a valuable pathway for countries seeking to institutionalize skills-building capacity in this field. The ToT program is exclusively available to professionals who have previously received PIAR training and wish to strengthen their analytical and pedagogical expertise. Graduates of this stream are awarded the Training of Trainers certificate in Investment Appraisal and Risk Analysis.

This year, the participants also benefited from guest lectures delivered by the following distinguished experts:

- Mr. Migara Jayawardena - Managing Director at AMALA Clean Energy Advisors, Washington, DC, USA.
- Dr. Baher El-Hifnawi - Program Lead, Transportation Economist at the World Bank, Washington, DC, USA.
- Dr. Mathew Routley - Director of Capital Finance, Metrolinx, Canada
- Dr. Frank Milne - BMO Professor of Economics and Finance, Emeritus, Queen's University, Canada.

We extend our sincere gratitude to the participants, guest lecturers, and staff of QED for making the 25th PIAR Program a truly memorable and rewarding experience.

Student Groups

DSC: The Economics Department Student Council

by Co-Presidents Meaghan Lawrence and Lily Jiang



Faculty Night

The Economics Department Student Council (DSC) has had a strong start to the academic year, with events focused on building community, supporting students' academics, and exploring opportunities available post-graduation. We kicked off the year with a number of events aimed at connecting students to others in the program, while also introducing them to the faculty who will guide them through their time at Queen's. In September, we hosted a Games Night, giving new and returning students a relaxed space to meet peers whilst playing some Economics themed board games! We then hosted a Faculty Night in collaboration with the Queen's Economics Society, where we had the pleasure of welcoming Professors Ian Keay, Allen Head, Beverly Lapham, Ugurhan Berkok, Sumon Majumdar and Father Raymond de Souza. It was a great evening, and students



What Can You Do With An Economics Degree?

had the chance to hear directly from the professors about their research, courses, and career advice. The following month saw the much-awaited return of Drinks with Profs, hosted at the Grad Club. This was one of our most popular events, with 70 students coming out to engage with their professors in a more informal setting. We know students are excited for its continuation in the years to come!

In the New Year, we put on the first ever "What Can You Do With an Economics Degree?" event, where we had the pleasure of welcoming Timothy Lane, Karicia Quiroz, Michael McKittrick, and Andrew Foran. They shared insights on the broad range of careers possible with an Economics degree, as well as what Masters and Juris Doctorate degrees entail. It was great to see students ask insightful questions and learn more about what

they want to do following graduation. The success of the Council in putting on these events would not have been possible without the work from our executive team, as well as the support received from Professors, Speakers and the broader Queen's Economics Department. Overall, this year's events reflected the Council's commitment to creating a supportive and engaging environment for economics students, and we are so excited to continue this as the year draws to a close.

Student Groups

QES: The Queen's Economics Society

by QES Newsletter Editor-in-Chief Mia Levcovich



2025-26 Queen's Economics Society

Queen's Economics Society (QES) is a student-run organization dedicated to fostering academic, professional, and social engagement among economics students at Queen's. Through conferences, workshops, speaker events, and networking initiatives, QES bridges the gap between classroom learning and real-world application. This year, under the leadership of Co-Presidents Lauren Speakman and Kiara Hunter, QES has continued to thrive, with over forty undergraduate members across all years serving on the executive team.

In an effort to expand the scope of the club and appeal to a broader student base at Queen's, QES announced a merger with the Queen's Investment Society (QIS). We believe that this merger will strengthen our shared mission without compromising the respective interests of either club, and look forward to joint initiatives ahead.

Over the course of the academic year, QES hosts three flagship conferences.

Hiring 101: Fall Summit

The event is designed to help economics students learn about the many diverse career paths and opportunities available with an economics degree. This year's event highlighted pathways associated with each of the Applied Economics subplans. Students connected with industry professionals and alumni who shared insights into their career journeys, challenges they faced entering their industries, and practical advice for launching successful careers. It also featured a resume workshop and networking sessions, allowing attendees to receive tailored feedback and gain valuable access to business leaders.

Economics in the Digital Age

This webinar introduced students to the rapidly evolving digital economy and the growing role of technology in shaping markets, organizations, careers, and decision-making. The event connected students with a diverse set of industry leaders working at the intersection of economics and technology, who spoke on topics such as AI, data analytics, automation, and digital platforms. It helped students better understand emerging trends, real-world applications, and the skills required to succeed in an increasingly technology-driven economic landscape.

Queen's Women in Economics

For over five years, this alumni-supported conference has highlighted the accomplishments, leadership, and impact of women across economics, finance, business, and related fields. The conference serves as a catalyst for growth and empowerment for Queen's female undergraduates through alumni-led panels, keynote addresses, and interactive discussions. This year will continue that tradition, bringing together accomplished professionals to share their experiences, insights, and lessons learned while navigating competitive industries. The conference aims to inspire attendees to leverage their strengths, build confidence, and define success on their own terms.

We are grateful for the hard work of our executive team, as well as the support from our speakers, sponsors, and the Queen's Economics Department. There is much more to come.

Research

Canada at a Crossroads: Falling Behind in a World That Is Moving Forward

by Prof. Christopher Cotton

The following is a summary of a talk that Prof. Christopher Cotton gave at the 38th Annual Forecast Lunch hosted by the Kingston Economic Development Corporation and the Smith School of Business in late 2025.



Learn more

A fuller version of this article (including facts and figures) and other similar articles, can be found at the JDI Policy Blog:

<https://economicsandpolicy.ca/>

Canada's economic challenges run far deeper than current trade tensions or normal business-cycle fluctuations. While inflation has eased and headline GDP growth remains positive, these indicators obscure a troubling reality: Canada has fallen substantially behind the United States and most other advanced economies in productivity growth and real improvements in individual incomes.

The causes are not mysterious. They reflect structural features of Canada's economic and governance systems that slow development, introduce uncertainty, weaken incentives, and push skilled workers and capital elsewhere. These challenges are now being amplified by unprecedented levels of global political and trade uncertainty, particularly around the future of Canada-U.S. economic relations. Crucially, however, Canada's economic underperformance did not begin with today's trade tensions. Even before a wall of ice formed along its southern border, Canada had spent much of the past decade falling behind its peers due to domestic governance structures, regulatory barriers, tax policies, and other institutional choices.

What the next year holds for the Canadian economy will depend largely on two factors: whether the government succeeds in its early efforts to address the structural barriers that discourage investment and high-skilled work, and whether uncertainty in Canada-U.S. economic relations begin to ease. Throughout this process, it is essential to recognize that Canada's current challenges predate recent political developments abroad, and that addressing them requires reform at home.

Falling Behind While Others Move Ahead

Recent GDP growth in Canada has been driven largely by population growth rather than productivity. On a per-person basis, economic performance has failed to keep pace with peer countries. As real GDP per capita comparisons across the G7 show, Canada has shifted from a relative leader to one of the weaker performers among advanced economies. Once a strong performer, Canada now sits near the bottom of the OECD on key measures of productivity growth. This shift has tangible consequences: slower growth in real incomes, weaker fiscal capacity, and increasing strain on public services. As a result, aggregate growth has delivered little, if any, real improvement for the typical Canadian, even as workers in many other advanced economies continue to see meaningful gains.

A Diagnosable Structural Problem

These outcomes reflect structural features of Canada's economic and governance systems that shape incentives for work, innovation, and investment.

Private investment has been weak for years, particularly in sectors critical to long-run growth. At the same time, Canada has struggled to retain and attract highly skilled workers, including doctors, engineers, scientists, and entrepreneurs,

Research (contd.)

Canada at a Crossroads: Falling Behind in a World That Is Moving Forward

by Prof. Christopher Cotton

who face a significantly higher tax burden than their U.S. counterparts. That burden becomes especially binding when it is no longer offset by perceived improvements in the quality of life, a concern that is growing as housing costs rise and the perceived quality of healthcare and public services declines. This pushes some in-demand talent to leave and reduces the rewards to innovation and risk-taking for those who remain. Over time, this erodes the pool of managerial and entrepreneurial leadership needed to scale firms, adopt new technologies, and raise productivity.

Regulatory burden and the difficulty of approving major projects compound these challenges. Development efforts face long and unpredictable approval processes. Judicial challenges, overlapping jurisdictional mandates, extensive consultation requirements, and shifting policy priorities with each election create many veto points and few clear paths to approval. Any special interest can often delay or block progress, even when they are economically viable, environmentally safe projects that can benefit most Canadians.

The economic outcome is predictable. With lower incentives and higher uncertainty, the risk-adjusted cost of building and scaling businesses rises. Firms and people respond rationally by delaying or scaling back investment, or by relocating capital and talent to jurisdictions with clearer rules and stronger incentives.

Challenges Amplified by Trade Uncertainty

Canada's domestic structural challenges are now being amplified by uncertainty around global trade and Canada-U.S. economic relations. We are operating under what I call "Zombie CUSMA": a North American trade agreement that is neither fully dead nor fully alive. While it remains formally in place, persistent political uncertainty and repeated review threats make it an unreliable foundation for long-term planning. The scheduled review of the agreement later this year is unlikely to resolve this uncertainty, which would require a strong and credible long-term commitment to stable trade rules.

Trade uncertainty is not the root cause of Canada's long-run economic underperformance, but it raises the cost of investment and increases the likelihood that firms will delay, scale back, or forgo long-term projects, making existing structural weaknesses more costly. In this environment, the absence of domestic reform does not merely coexist with trade uncertainty; it amplifies the impact.

This uncertainty is particularly costly for Canada because its economy and infrastructure are overwhelmingly oriented toward north-south trade with the United States, more than east-west trade within Canada, and far more than trade with other overseas markets. A successful shift to alternative markets, or even full access to the domestic market, cannot be assumed. Shifting trade patterns at scale would require substantial new investment in transportation corridors, pipelines, and ports — projects that Canada has historically struggled to approve.

Planning at a Crossroads

Canada's economic trajectory now depends on two forces: whether it can address domestic structural problems, and whether uncertainty with the United States begins to ease. Canada has far more control over the first, though acting on it requires acknowledging the policies and institutional features that constrain growth and being willing to reform in ways that prioritize investment, productivity, and long-run economic performance. Absent such change, Canada risks remaining an economy in which investment is delayed, productivity growth stalls, and relative decline persists.

This perspective cautions against attributing Canada's current economic challenges primarily to external forces. Trade uncertainty matters, but it does not explain a decade of weak private investment, sluggish productivity growth, and declining relative living standards. Domestic reform cannot eliminate external uncertainty, but it will determine whether Canada is positioned to grow when that uncertainty eventually clears. For policymakers, investors, and business leaders planning for the year ahead, this implies humility rather than false precision: heightened global uncertainty combined with unresolved structural challenges means Canada faces multiple plausible paths forward, and no single outcome can be forecast with confidence.

Research

Evaluating Industrial Policy in China's Shipbuilding Industry

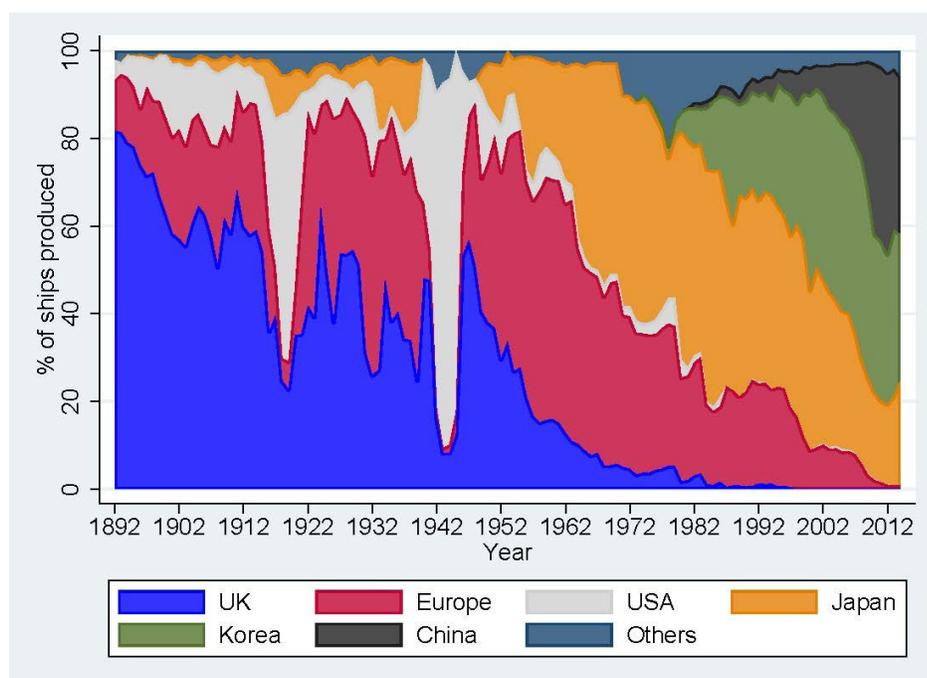
by Prof. Nahim Zahur

Industrial policy (InP), which refers to a government's agenda to shape industry structure by promoting certain industries or sectors, has been used by many countries throughout history. Yet, it remains one of the most contentious issues among policymakers and economists. In collaboration with Myrto Kalouptsidi and Panle Jia Barwick, I study one prominent example of industrial policy: government support for shipbuilding in general, and China's industrial policy to support shipbuilding in particular.

Shipbuilding has been historically a classic target of InP, and has long held an allure for governments, because of its real and perceived interactions with industrialization, maritime trade, and military strength. Figure 1 shows the succession of countries as the world's dominant shipbuilding nation. The United Kingdom held the lion's share of the industry for the better part of the 19th and 20th centuries, fending off competition from other Western European economies (mainly Germany and Scandinavia) at times. After World War II, it was swiftly overtaken by Japan, which prevailed as a world leader until the 1980s, when South Korea began dominating the global market. In the 2000s, China entered the shipbuilding scene, supporting the industry through a wide range of production, investment and entry subsidies. Within a few years, China overtook Japan and South Korea to become the world's leading ship producer in terms of output.

The rich and tumultuous history of shipbuilding presents puzzles and leaves us with several open questions: Why have governments subsidized shipbuilding throughout history? Was this policy successful? Although several national shipbuilding programs, such as in Japan and South Korea, appear to have driven tremendous sectoral growth, others, like support for shipbuilding in the United States, have seemingly failed. We develop a multi-faceted methodology to evaluate the effectiveness of different policy designs by measuring hidden subsidies, and assessing their welfare consequences

for the domestic and global economy. We use our methodology on China's recent policies to promote its shipbuilding industry to dissect the impact of such programs, what makes them more or less successful, and how we can justify why governments have chosen shipbuilding as a target. Our estimation employs a rich dataset consisting of firm-level quarterly ship production between 1998 and 2014, firm-level investment, entry and exit, and new ship market prices by ship type (containerships, tankers, and dry bulk carriers, which together account for 90% of global sales).



Share of commercial ships produced by each country, 1892 - 2014.

Research (contd.)

Evaluating Industrial Policy in China's Shipbuilding Industry

by Prof. Nahim Zahur

The model's estimates suggest that China's InP in support of shipbuilding boosted China's domestic investment in shipbuilding by 140%, and more than doubled the entry rate. Overall, industrial policy raised China's world market share in shipbuilding by more than 40%.

Calculating whether this increase in output should be counted as an improvement in overall welfare is a more delicate question. First, 70% of China's output expansion occurred via business stealing from rival countries. There is evidence (backed by our cost estimates) that Chinese shipyards are less efficient than their Japanese and South Korean counterparts; thus, the transfer of shipbuilding to China constitutes a misallocation of global resources. Second, China's InP for shipbuilding led to considerable declines in ship prices. Lower prices benefited world ship-buyers somewhat, though only a modest amount accrued to Chinese ship-buyers, as they account for a small fraction of the world fleet. Third and most importantly, although China's shipbuilding subsidies were highly effective at achieving output growth and market share expansion, they had a small impact on domestic welfare. The program generated modest gains in domestic producers' profit and domestic consumer surplus. In the long run, the gross return rate of the adopted policy mix, as measured by the increase in lifetime profits of domestic firms divided by total

subsidies, was only 18%, meaning that for every \$1 the government spent, it got back only 18 cents in profitability.

Comparing across different policy instruments, we find that entry subsidies are wasteful — even by the revenue metric — and lead to increased industry fragmentation and idleness. In contrast, production and investment subsidies increase the backlog and capital stock, which lead to economies of scale and drive down both current and future production costs. In terms of policy design, our findings suggest that if subsidies were directed towards the most productive firms, the gross rate of return would climb to 71%.

Our results highlight why industrial policies have worked better for some countries. In East Asian countries where InP was mostly considered successful, the policy support was often conditioned on firm performance. In contrast, in Latin America where industrial policies often aimed at import-substitution, few mechanisms existed to weed out non-performing beneficiaries. In China's modern-day InP in the shipbuilding industry, the policy's return was low in earlier years when output expansion was primarily fueled by the entry of inefficient firms, but increased over time as the government increasingly relied on "performance-based" criteria.

Finally, why did China subsidize shipbuilding, given the low rate of return on the policy? We find that

the standard arguments for InP are weak here. There is little evidence of learning-by-doing, perhaps because the production technology for the ship types that China expanded the most, such as bulk ships, was already mature. Our analysis points to two potential rationales. First, as China became the world's biggest exporter during our sample period, transport cost reductions from increased shipbuilding and reduced shipping costs led to substantial increases in its trade volume. Our estimates suggest that China's InP policy raised its annual trade volume by 5 percent (\$144 billion) between 2006 and 2013. Second, both military and commercial deliveries at shipyards that produce military ships experienced a multi-fold increase, providing suggestive evidence that China's supportive policy might have benefited its military production as well. Thus, industrial policy maybe dictated by considerations beyond the immediate industry, and could involve non-economic objectives, such as geopolitical considerations.

Retirements

Honoring Chris Ferrall: Innovations in Structural Economics and Mentorship

by Jean Francois Houde (PhD 2006; David Edwin and Lucille Hartmann Davies Chair in Economics, University of Wisconsin, Madison)



Chris Ferrall

To appreciate Chris Ferrall's contributions to economics, it is helpful to look at his academic lineage. As one of the first students of Ken Wolpin at Minnesota, Chris was trained during a formative period for dynamic structural methods. Chris applied these methods to "personnel economics," a field that studies the employment relationship inside firms to understand issues like compensation structure, incentives, teamwork, hiring, and training. At the time, the area was largely dominated by reduced-form approaches and theoretical abstraction.

Chris's early work reflects this innovative spirit. He was among the first to estimate game-theoretical models of asymmetric information. By structurally estimating tournament incentives, Chris demonstrated that the strategic interactions predicted by game theory could be quantified in real-world labor

markets. This focus on the internal workings of the firm extended into his influential collaboration with Bruce Shearer on incentive contracts, which provided some of the first structural measurements of moral hazard in labor markets.

Later in his career, Chris's research evolved to address the intersection of structural modeling and experimental economics. His work on the Self-Sufficiency Project (SSP) is a wonderful example of how best to combine the identification power of a field experiment with the counterfactual capabilities of a structural model. It established a framework for optimal policy design that remains highly relevant today.

Beyond his research, Chris's contribution to the profession is vividly realized through the community of scholars he has cultivated. As a PhD advisor, he has been a dedicated mentor, fostering an environment where methodological rigor meets creative inquiry. His track record for placing students in academic institutions is impressive, and many have evolved into established scholars who are now leading their respective fields.

What sets this track record apart is the remarkable diversity of fields to which his students have contributed. He empowered us to apply structural rigor across the entire economic spectrum, including labor and personnel economics, environmental economics, industrial organization, and behavioral economics. This breadth demonstrates

that Chris taught a way of thinking—a robust methodological framework—that allowed his students to tackle complex problems in any domain.

Speaking for myself, the most enduring lessons I took from Chris was the confidence that it was feasible to execute research using cutting-edge methods, and the importance of trusting one's instincts on what makes a research question worth pursuing. Chris treated us as equals, helping us see the commonalities across different methodologies so we could adapt those insights for our own work. He was never afraid to cover papers outside his comfort zone, driven by a natural curiosity that encouraged us to think outside the box. I arrived at Queen's with limited mathematical and computational training, yet today I teach the very ideas and methods I learned in his classroom. And, of course, I am still using Ox every day!

We are grateful for his guidance and wish him a rich and rewarding retirement.

Retirements

James MacKinnon: Some memories

by Russell Davidson

(Distinguished James McGill Professor, Dept. of Economics, McGill University)



James MacKinnon

James joined the faculty of QED in 1975, two years before I did. We had some communication before I arrived in Kingston. It is amusing to recall how we communicated back then. I received a letter by mail, which had been typed by James using a manual typewriter -- no electricity, no "golf balls" for different fonts, just a straightforward, primitive, mechanical action.

The graduate course that James taught the year I joined QED was on econometrics. As a grad student at UBC, I had not taken any advanced courses in econometrics, and I wished to make up for this lack by sitting in on the course James was teaching. Later, James admitted that he was teaching the course because he too had not taken advanced econometrics as a PhD student and wanted to learn by teaching!

It didn't take us long to find a common research topic of interest. "Non-nested Hypothesis Testing" was getting some attention in the literature, and James had an idea of how to get a greatly simplified test. We wrote up the idea, and although it was rejected at *Econometrica* at the first round, it was later accepted, and that paper was our first big hit.

Shortly after, James spent his sabbatical in San Diego, where he worked with the late Hal White, who introduced him not only to Heteroskedasticity Consistent Covariance Estimators but also to things with weird names: the jackknife

and the bootstrap. When James returned to Queen's, these topics lay in abeyance for some time before being incorporated into an active research program. Interestingly, around this period, I think we can claim that James and I were among the very first to communicate by computer. This was long before email. IBM had set up a network of mainframe computers called Bitnet, where Bit stood for "Because It's There". Messages could be sent over Bitnet from one IBM mainframe to another, and we availed ourselves of this functionality quite often.

Over the next ten years or so, James and I built up a satisfying and productive collaboration, so much so that we thought we had some useful things to say about econometrics, and embarked on writing a textbook, "Estimation and Inference in Econometrics" (EIE), that would set forth our view of the subject. Again, we were young and foolish, grossly underestimating the time and effort necessary for writing a serious textbook, rather than just a research paper. It was during the years of preparation on the book that James was elected as a Fellow of the Econometric Society, in 1990.

In 1995-6 James had another sabbatical, which he spent in Marseille, where I was. During his stay, there was a prolonged transit strike. James had taken an apartment at some distance from our offices. He had no car, and, unlike me, didn't want to get about by

Retirements (contd.)

James MacKinnon: Some memories

by Russell Davidson

(Distinguished James McGill Professor, Dept. of Economics, McGill University)



James with distinguished economist Hashem Pesaran

bike. Nothing for it but to walk, several kilometres each way, every workday. People who know James now would not recognise the sylph-like figure he developed then, as a result of burning so many calories every day.

It was around 1995, that our joint research took up the Bootstrap. Although this statistical technique had been known to many statisticians, it was only then becoming of interest to econometricians. Again rejected by *Econometrica*, our paper on the bootstrap was shortly published in another journal, and had quite a success. This led on to many publications by James, many with me, on applications of the bootstrap

to econometrics. We had become aware that, while EIE was very well thought of by researchers working in econometrics, it was hard going for our students. Whether wisely or not, we started work on our second textbook, “Econometric Theory and Methods”, completed in 2004.

James’s recent work has focussed on cluster-robust inference, much of it with his former PhD student Matt Webb and with Morten Nielsen. I was sad when James told me of his decision to retire from Queen’s. However, he assured me that he planned to continue his research, now free of the obligations of teaching and administration. No one can say

that James did not bear the weight of administrative work for QED. James took on the job of Department Chair for ten years, during which he raised enough money to save the department from what appeared financial ruin around the time I left. The department, and indeed Queen’s University, owes a tremendous debt of gratitude for the fifty (!) years he has spent at the QED.

Retirements

Gregor Smith Retires



Gregor Smith

Gregor Smith's association with Queen's began with a BA in History. He went on to earn an MA with Honours in Economics from the University of St. Andrews and then pursued his M.Phil. and D.Phil. in Economics at Oxford University as a Rhodes Scholar, under the supervision of Sir David Hendry.

Returning to Queen's as a faculty member in QED in 1986, Gregor built a career distinguished by both depth and breadth. He has engaged academic communities beyond Queen's through visiting appointments at Princeton University, the University of Toronto, the University of British Columbia, and by serving as a visiting scholar at the Federal Reserve Bank of Atlanta. He also serves on the Board of Directors of the National Bureau of Economic Research and was President of the Canadian Economics Association in 2005-2006. Since 2000, he has held the Douglas D. Purvis Professorship of Economics at QED.

Gregor's research spans empirical macroeconomics, international macroeconomics, applied econometrics, and economic history, with publications in leading field journals in each of these areas. A common element of his research is its grounding in empirical observations such as exchange rate dynamics, inflation and output, and the mechanics of professional forecasters. Another aspect of his research is the evaluation of recent econometric theory for its potential use in applications. Gregor has co-authors all over the world. He won the Harry

Johnson Prize for the best paper in the Canadian Journal of Economics (2015) and was made a Fellow of the Canadian Economics Association in 2022.

He brings the same rigor and enthusiasm to scholarship as he does to mentoring, making teaching and research inseparable in his work. Gregor's supervision of over 75 MAs and over 25 Ph.Ds. places him among QED's all-time leaders. Classroom teaching is also important to Gregor and may represent his defining legacy. He receives an enthusiastic reception from students in all his graduate and undergraduate courses, including the most challenging (yes, we are looking at Econ 250). He holds two QED Undergraduate Teaching Awards. We speak proudly of our placement of students across academic, public, and private sectors, and a great deal of this is due to Gregor.

Gregor is an exemplary departmental citizen and has done more than his fair share of departmental and university administration (as QED Associate Head and on numerous other committees) and is well-known for his commitment to the Canadian economics community (as co-organizer of the Canadian Macroeconomics Study Group, and Co-editor of the Canadian Journal of Economics, to name a few).

Whether in the classroom, in research seminars, or in informal conversations, Gregor brings clarity, curiosity, and an unwavering commitment to learning. Congratulations on a job well done, and we wish him a happy retirement.

New Faculty

New BMO Chair and Purvis Professor Abhimanyu Gupta



Abhimanyu Gupta

Abhimanyu Gupta joined the department in September 2025 from the University of Essex in the UK, where he was a professor of economics. Abhimanyu's primary research field is econometrics, but he also has interests in economic history, urban economics and financial networks. In one strand of econometric research, he studies the implications of an increasingly connected economy. A particular focus is on 'complex models': these become richer with the increasing flow of data, aligning with the contemporary focus on 'big data' in its various manifestations. Another strand deals with complex models for data collected over a period of time. Abhimanyu's work explores how these can lead to new insights that overturn conventional wisdom. Thus, complexity becomes a tool to uncover hidden layers of mathematical structure within everyday data.

In his economic history work, Abhimanyu makes novel use of the ideas of modern urban economics to understand how our ancient counterparts utilized the spaces that they lived in, and indeed died in. Research in progress shows that ancient Sumerians of the famous city of Ur planned for the afterlife by arranging their own graves around the graves of royal personages. Thus, the philosophy of 'location, location, location' was carried over to the next world. In previously published work, Abhimanyu shows that inhabitants

of an ancient Greek island sorted themselves into 'urban-like' clusters in much the same way that economists posit for modern cities. More recently, Abhimanyu has started a project on the economic history of the Indigenous peoples of Canada.

To quote Abhimanyu, "I enjoy reading, travel, music, sports and a decent bite to eat washed down with a drop to drink. Since moving to Kingston I have browsed, with limited self-control, the outstanding second-hand book-shop on King Street, enjoyed the many outdoor activities in and around Kingston and stuffed myself with Cambodian food and various brews. I was particularly blessed to arrive during a long stretch of glorious weather which to my chagrin has not persisted into December. At the moment (mid-December) I am in the market for a sturdy pair of boots and a sense of balance, the latter much needed to summon the courage to learn how to skate."

New Postdoc

Dr. Marcos Lee joined QED in August 2024 as a Postdoctoral Fellow after completing his PhD in Economics at Rice University.



Marcos Lee

Marcos's research lies at the intersection of labor economics, education, and the economics of early childhood. His work explores how families make decisions about investing in their children's development and how policy interventions can shape these choices. His broader agenda combines reduced-form empirical strategies with structural models to better understand the mechanisms driving inequality in skill formation and educational outcomes.

In one of his papers, "Eliciting Subjective Belief Uncertainty About Returns to Investment in Early Childhood", Marcos develops a novel survey-based method to measure how parents perceive the returns and uncertainty associated with investing in their children's development. He finds that parents underestimate the returns to parental investment in early childhood while also being confident about their beliefs. Nevertheless, they have strong incentives to invest in children, particularly if they are at risk of developmental delays.

Marcos is currently working on several projects that deepen and broaden his research agenda. One ongoing line of work focuses on Canada, where he and his coauthors examine sibling spillovers in response to universal childcare subsidies and investigate cross-country differences in fertility and labor supply preferences through a unified structural model. He is also initiating a new project on the relationship between mental health and child development using rich longitudinal data from Brazil.

During his postdoctoral fellowship, Marcos has also taught undergraduate econometrics courses, where he emphasizes clarity, connection, and application in helping students bridge statistical tools with real-world policy questions.

Marcos has valued the collaborative and supportive environment at QED, which has provided opportunities to discuss ideas with colleagues across the areas of applied microeconomics and econometrics. He is also grateful for the department's continuous and consistent support and encouragement. He is currently on the academic job market, seeking to further develop his agenda. Outside of work, Marcos, who is originally from Brazil, enjoys photography, traveling, and watching movies at local movie theaters.

Alumni Updates

Robert Gentile

ArtSci'96

Robert Gentile, Econ'96 recently received a Community Champion award from his local Member of Parliament at a special ceremony. The award recognizes citizens whose work has helped improve their communities. Gentile was recognized for his work promoting more housing and support for both landlords and tenants as President of the Quinte Region Landlords Association.

Old acquaintances and classmates are welcome to say hello by using the contact form at www.qrla.ca.



Robert Gentile, Econ '96 recognized as a Community Champion by Ryan Williams, MP. Gentile is shown here receiving the award with his sons and father.

Justin Lacchin

ArtSci'11

After graduating from Queen's with a BAH in Applied Economics, Justin used his knowledge to gain employment with Investment Planning Counsel. Building his practice in Wealth Management, he was able to move his clients with him to Wellington-Altus Private Wealth, the top-rated investment dealer in Canada and one of Canada's Best Managed Companies. He was able to establish his own brand, NexGen Wealth Management, in addition to leading and opening a new branch in Etobicoke for the company. If that wasn't enough, he also achieved accreditation as Portfolio Manager at that time and got a dog and fiancé in the same year!



Minghao Li

ArtSci'22

After graduating from the APEC program in 2022, Minghao went on to receive a master's degree from University College London (UCL). Now an editor for Xinhua News Agency Headquarters in Beijing (the only national news agency in China), Minghao welcomes any questions people may have about China and what a news career looks like there.

Minghao can be reached at 17ml78@queensu.ca.

Obituaries

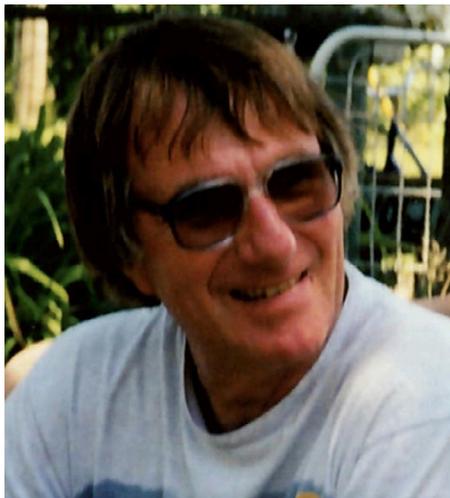


Thomas J Courchene

November 4, 2025

One of the most influential economists of his generation, Tom devoted his career to reshaping how Canada works. Born in Wakaw, Saskatchewan, he was educated at the University of Saskatchewan and then Princeton University. He joined Queen's in 1988 to help launch the new School of Policy Studies as its founding director. After completing his term as director, he became the Jarislowsky-Deutsch Chair in Economic and Financial Policy and served at various times as director of the Institute for Intergovernmental Relations and the John-Deutsch Institute in the Department of Economics. He also took on many roles outside of the university such as the Chair of the Ontario Economic Council, and President of the North American Economics and Finance Association etc. An innovative thinker, his multi-faceted policy work on monetary policy, financial institutions, fiscal policy, economic regionalism, energy policy, trade and migration, reflected an overarching commitment to a prosperous and compassionate Canada. Tom was awarded the Order of Canada in 1999, and also the Molson Prize for his lifetime contributions to cultural and intellectual life in Canada. He has inspired generations of students, colleagues and researchers across Canada and abroad. We will all miss him.

A more complete obituary can be found at [the School of Policy Studies website](#)



Duncan M McDougall

September 12, 2025

Duncan was a longstanding Kingston native who did his elementary and secondary schooling locally and graduated from Queen's in 1954. After completing his PhD in record time at Johns Hopkins University, he took a position at Purdue University where he stayed until 1963. While there, he wrote with Thomas Dernburg the first undergraduate macroeconomics textbook, which became a teaching staple in Canada and the USA for several decades. He returned to Canada to serve as coordinator of economic research with the famous Royal Commission on Taxation, better known as the Carter Commission, whose recommendations paved the way for the major tax reform of 1981. After spending 1966-74 at the University of Kansas as a Full Professor, Duncan returned home to Queen's in 1974 (literally to his childhood house). He spent the next 20 years as an adjunct instructor teaching Principles of Economics and Intermediate Economics in his legendary no-nonsense style and was a mainstay of QED life. During those years he worked on the Historical National Accounts project coordinated by Malcolm Urquhart, painstakingly poring through the Public Accounts to record entries for the most detailed items (including, as he would say, milk for the office cat). Duncan was well-known for being handy and willing to lend a hand to colleagues contemplating repairs. He will be sorely missed by those who knew him.

His obituary can be found on the [Kingston Whig Standard's website](#)

Obituaries



Paul's full obituary can be found at [The Globe and Mail](#)

Paul Hobson

December 12, 2023

The Economics Department lost a treasured graduate (MA 1976, PhD 1982), a former colleague, and a longtime friend and supporter of QED. Paul Hobson passed away suddenly and much too soon in December of 2023. Paul came to Queen's from Belfast, Northern Ireland, via York University. He specialized in public and urban economics as a graduate student under Richard Arnott's supervision. After completing his Ph.D., he took a career-long position at Acadia University in Nova Scotia and assumed the identity of a Maritimer with ease and wit.

True to his acquired roots, his research and policy advocacy focused on fiscal federalism, especially on the contentious Equalization program. He argued persuasively for its relevance not just to Nova Scotia but to the larger Canadian federation. Paul became the go-to person for the Atlantic Canada perspective at national forums. He published widely on the topic both in mainstream journals and policy outlets and was an active member of the Canadian Economics Association and the Atlantic Canada Economics Association. He kept in continuous contact with QED as a visiting professor and a regular attendee at John Deutsch Institute and School of Public Policy events.

Paul took his fiscal federalism skills abroad, initially collaborating with a University of Tokyo scholar on how lessons from Canadian federalism could be applied in Japan. He then spent some time working on federalism projects with the Malaysian Institute of Economic Research on an advisory project coordinated by Frank Flatters and the John Deutsch Institute. After his retirement from Acadia, he lectured Chinese students at Jinan University in collaboration with Dalhousie University.

Paul was well-liked and respected by all who met him. His conversational skills reflected his Irish descent, and his circle of friends was wide. He was especially proud of his QED background, and he will be sorely missed by all of us who knew him.

Recent Placements



Mehtab Hanzroh
PhD'25

Economic Advisor,
Competition Bureau



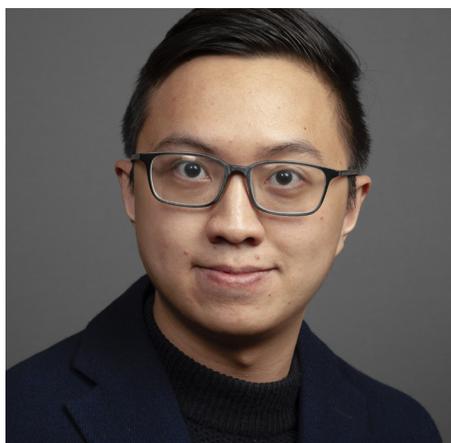
Qidi Hu
PhD'25

Post-Doctoral Research Fellow,
Shanghai Institute for Mathematics
and Interdisciplinary Sciences,
Fudan University



Sihui Ong
PhD'25

Economist
Singapore Ministry of
Trade and Industry



Nam Phan
PhD'25

Professor of Economics,
University of Western Australia



Kaveh Sanjabi Malayeri
PhD'25

Visiting Assistant Professor/Lecturer,
Royal Military College of Canada

Awards

Dr. Robert Clark Awarded Dan Usher Prize for Excellence in Economics Research

by Sumon Majumdar



Robert Clark

The 2025 Dan Usher Prize for Excellence in Economic Research was awarded to Rob Clark. The prize, which was previously known as the QED Research Prize, was established by an anonymous donor to recognize the research achievements of QED faculty members. The 2025 prize is awarded on the basis of research published during the years 2022 through 2024.

The selection committee, consisting of the two previous winners, Shota Ichihashi and Steven Lehrer, recognized Rob's important contributions to Industrial Organization. During the award period, he published eight co-authored peer-reviewed articles, three of which appeared in the top journals of the discipline, the *Review of Economic Studies*, the *American Economic Review* and the *Journal of Political Economy*. Among these, the paper titled "Algorithmic pricing and competition: Empirical evidence from the German retail gasoline market" has attracted the largest attention as proxied by the number of citations. As the title suggests, the paper empirically examines whether AI-driven pricing algorithms facilitated collusion in Germany's retail gasoline market. Since the AI software is used in many other markets worldwide, the empirical findings have both broad relevance and suggest that regulators need to be concerned about the mass-adoption of algorithmic pricing software.

The committee was also impressed by how five of these papers display Rob's dedication to graduate training as each included a recent graduate student in the department as a coauthor. Last, the committee is not the first to award Rob for his research during this period; he received the 2024 John Rae Prize from the Canadian Economics Association for the Canadian economist with the best research record during the past five years (2019-2024).

This is a very impressive accomplishment, and you can read more about Rob's research, the John Rae Prize and the Prize committee's write-up at:

<https://www.economics.ca>

Giving

Donations to the QED

We sincerely appreciate our alumni's generosity, which continues to have a significant impact on the Department. Donations to our commemorative funds (e.g. the Doug Purvis Professorship, the Alan Green Fund, and the Frank Lewis Memorial Fund) honour the legacy of valued former colleagues and support current students and faculty.

We also encourage you to consider contributing to the QED Initiatives Fund (formerly the Economics Trust). As our most versatile funding source, this Fund enables the Department to swiftly address emerging priorities and critical needs. Your donation helps fund student and faculty projects that might otherwise go unfunded and allows us to add courses and sections when demand exceeds our core resources. In essence, contributions to the QED Fund deliver immediate, vital impact, ensuring that QED remains innovative, responsive, and resilient for future generations.

You can make donations to the QED on-line by credit card via: <https://www.givetoqueens.ca/economics>.

This page is also readily accessible by clicking on "Alumni" and then "Giving" on our home page

Ways to Give

Queen's University offers a wide variety of options when deciding what and how to donate. You can pay tribute to a special person with a gift, donate property, or name Queen's as the beneficiary in your life insurance policy.

For more information, please visit: <https://www.queensu.ca/alumni/supporting-queens/ways-to-give>.

Planned Gifts to the QED

Throughout the history of the University, bequests, gifts of insurance and the proceeds of trusts and registered retirement accounts have provided a vital lifeline to advance the learning, discovering, creating, exploring and teaching that happens every day at Queen's.

If you are interested in making a planned gift to the Queen's Economics Department, please contact KP Anand, Executive Director, Development, FAS Office of Advancement by calling 519-654-6407 or emailing kp.anand@queensu.ca. Note that, if you so wish, any communication with him can be entirely in confidence.

Placement/Career Services

If you or your employer hires economists, you want to hire the best. That means you want to interview QED graduates. The best way to get in touch with them is directly through us. If you have a job posting which you would like circulated to our current students and/or recent alumni, please send it to the department manager at econ.admin@queensu.ca.

We Want to Hear From You

We love to share your news! If there has been a special event that you wish to share with your friends, or you would just like to let other alumni know what you have been up to, please drop us a line. We will try to include your item in our next issue.

Contact Information

The person to contact about all matters relating to alumni and placement is **Morgan Wilson**, whose contact information is:

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