

## The QED Celebrates its 50th Year (1964-2014)

*Economics courses have been taught at Queen's since 1877 and in 1889 a separate department of Political and Economic Science was founded. This department taught and conducted research in most fields of Economics and, starting in 1919, the selection also included Commerce courses. However, it was in 1964 that the modern Department of Economics was established as a separate unit. Since then, a vast and growing number of students have graduated with BA and MA degrees in Economics from Queen's and, earlier this year, the 300th PhD in Economics was awarded. We hope you will all join us in celebrating the QED's 50<sup>th</sup> year.*

### Message from the Head

by Huw Lloyd-Ellis

It has now been almost a year since I took over as Head of the QED and these last few months have certainly been a learning experience for me. I have been fortunate to have an outstanding administrative team to work with and the helpful support of the economics faculty. I have also benefitted from all the work done by James MacKinnon over the last ten years or so as Head of the QED. In addition to being an excellent leader, both intellectually and administratively, James has made a huge contribution to maintaining alumni relations and to raising the status of the Economics Department both inside and outside the University. While he continues to contribute to the operation of the QED, I hope he will now be able to devote more of his time to teaching and research.

I am taking over as Head during a period of rapid change in Canadian universities. The demand for high quality and accessible undergraduate and graduate education continues to grow. The need for cutting edge, innovative and policy-relevant research continues to deepen. However, at a time when provincial and federal governments are being forced by economic circumstances to get their fiscal houses in order, the public resources needed to support these activities have become increasingly scarce. As a result, Canadian universities are making substantial changes to the way they operate. These include new and more efficient approaches to delivering existing programs which take advantage of recent technologies; new professional programs which leverage the skills and knowledge of faculty; and newly-defined research objectives and approaches to collaboration that enhance economies of scope.



Queen's is no exception in this regard, and the QED is at the forefront of this on-going change. We are expanding our on-line offerings in an attempt to enhance accessibility and flexibility while, at the same time, maintaining their quality. We are in the process of introducing new programs such as the elite graduate Diploma in Risk Policy and Regulation with the intellectual and financial support of the Global Risk Institute in Financial Services. This program is being directed by Frank Milne and David Longworth and is aimed at providing graduate economists with the specialized knowledge and skills needed to understand and work in today's rapidly changing financial sector. The John Deutsch Institute continues to sponsor faculty and graduate student research, while also helping to fund conferences such as the recent joint conference with the Bank of Canada on Real-Financial Linkages and the QED Frontiers of Macroeconomics Conference. We have expanded a very active visiting scholars program which is crucial for stimulating research activity and for providing a forum for interaction between students and faculty. This year we have had visits from distinguished academics such as Robert Frank and Josh Angrist, and also the

journalist Martin Wolf. Most importantly, we are now in the process of hiring new faculty who will have the knowledge, energy and expertise to maintain and enhance our capacity to continue to offer high quality education and undertake world-class research over the next few decades.

These initiatives would not be possible without the ongoing support of the friends of the QED who have donated and continue to donate time, energy and financial resources to help us achieve our objectives. This year, in particular, the fruits of this support will be seen as we seek to hire two new faculty members into the new Stephen J.R. Smith Chair in Economic Policy and the Jarislowsky-Deutsch Chair in Economic and Financial Policy. In addition, following the recent retirement of Robin Boadway, Morten Nielsen has been appointed to the David C. Smith Chair, thereby securing a third, entry-level position. My colleagues and I are very excited to now be in a position to regenerate and enhance our faculty contingent.

Looking back over the years, the department has maintained its reputation for high quality teaching and research by being flexible enough to adapt in the face of change. Past department Heads like David Smith, Robin Boadway, Doug Purvis, Lorne Carmichael and Frank Lewis all faced challenges that required them to redirect the department's resources and energies. Most recently, James MacKinnon has had the foresight and skills to put into place alternative sources of funding, negotiate new positions and encourage the delivery of new programs. These have placed the QED in an excellent position to adapt to future changes. Going forward, we are sure to face budgetary, pedagogical and personnel challenges. It is my intention to deal with these challenges by continuing in the tradition of my predecessors and I look forward to your support in this endeavour.

## Faculty News

**Charles Beach**, Professor Emeritus in the QED, will become Vice-President of the Canadian Economics Association for 2014-15, President-Elect for 2015-16, and President for 2016-17. Previous CEA Presidents from the QED were: Malcolm Urquhart (1968-69), Richard G. Lipsey (1980-81), Stephan Kaliski (1986-87), Thomas J. Courchene (1991-92), Robin Boadway (PhD '73)(1996-97), James G. MacKinnon (2001-02), and Gregor Smith (2005-06).

**Beverly Lapham** has been named as a member of the Institute for Research on Public Policy's (IRPP) Advisory Committee on International Trade, chaired by Stephen Tapp (MA '01; PhD '08). This work involves designing an extensive research initiative to examine how changing patterns of global commerce are affecting Canada and how to design policies to engage more effectively in the global economy. In addition, Beverly will author a paper on Recent Advances in Trade Theory as part of a series of IRPP studies on Canadian trade that will be published during 2014 and 2015 in the IRPP's *Art of the State* research program.

**Thor Koepl**, Associate Professor and RBC Fellow in the QED, was appointed as a Resident Fellow of the C.D. Howe Institute, as well as a member of its Monetary Policy Council. See <http://www.queensu.ca/news/articles/queens-professor-appointed-prestigious-fellowship>.

**Steven Lehrer** was awarded a new SSHRC Insight Grant and also received three small project grants from EPRI to support research projects on which he is respectively collaborating with current PhD student Mike Kottelenberg (MA '09), Jonathan Holmes (MA '12) and Noemie Schmiedel (MA '13). He also published several papers this past year including two pieces in *Canadian Public Policy* that were respectively joint with Mike Kottelenberg (MA '09; PhD candidate) and Adnan Khan (PhD '10).

**Frank Milne** received the degree of Doctor of the University (*honoris causa*) from La Trobe University on May 2, 2013. This prestigious honour is in recognition of his service to higher education and to economic

and financial policy. Frank's research was highlighted in the Queen's publication (e)Affect (Issue 3). In "Swinging between Euphoria and Despair," Frank discusses the causes and consequences of the recent financial crisis with journalist Alec Ross. See <http://www.queensu.ca/vpr/reportspubs/eAFFECT3Spring2013.pdf>.

**Morten Nielsen** was appointed to the David Chadwick Smith Chair in Economics in July 2013. The Chair was established in memory of David Smith, who was Head of the Department from 1968 to 1981 and Principal of Queen's University from 1984 to 1994. Morten is the second holder of the Chair, replacing Robin Boadway (PhD '73) who held it since 2008. Morten is also the Canada Research Chair in Time Series Econometrics.

**Amy Hongfei Sun** has been granted tenure and will be promoted to the rank of Associate Professor as of July 1, 2014.

**Marie-Louise Viero** has been granted tenure and will be promoted to the rank of Associate Professor as of July 1, 2014.



## John Deutsch International Executive Programs

Since 2000, John Deutsch International (JDInt'l) has been offering the Program on Investment Appraisal and Risk Analysis (PIAR) at Queen's University, under the direction of Dr. Glenn Jenkins. PIAR is an intensive four-week training program where participants learn how to conduct financial, economic, risk, and stakeholder evaluations of investments. Alumni include professionals from international development agencies, government ministries, financial institutions, as well as QED MA and PhD students.

A number of guest lecturers joined the participants, and delivered special seminars open to faculty and students of the QED. Dr. William Ward, Senior Economic Advisor at

USAID presented on Cost-Benefit Analysis of Global Climate Change and Environmental Issues. Dr. Arnold Harberger, distinguished professor of economics from UCLA, discussed Professionalism and Economic Cost-Benefit Analysis.

In addition to preparing and delivering our summer programs, our team was engaged in advisory work at the African Development Bank, in particular, through the Investment Appraisal Modelling Team (IAMT). IAMT was implemented to provide technical assistance and training to governments/international organizations in areas of integrated investment appraisal, project finance, public finance, and development economics. JDInt'l

consultants work with the AfDB staff to perform the IAMT function, and train designated staff in investment appraisal and project modeling techniques.

As we approach our 15th year at Queen's University, we would like to extend a thank you to the QED for supporting our initiatives and warmly welcoming our international participants each year. Given the global distinction of PIAR, and growing demand for Cost-Benefit Analysis, we encourage QED alumni, MA and PhD students to consider applying for the 2014 PIAR. For more information, please have a look at our website: [jdintl.econ.queensu.ca](http://jdintl.econ.queensu.ca).

# The Economics of Unknown Unknowns

by Marie-Louise Viero

*“There are known knowns: There are things we know we know. We also know there are known unknowns. That is to say, we know there are some things we do not know. But there are also unknown unknowns. The ones we don't know we don't know.”*

Donald Rumsfeld, former U.S. Secretary of Defense

Until recently, economic analysis has only been able to deal with known knowns and known unknowns. According to the way uncertainty has been modeled, economic agents (e.g., consumers, managers, investors, etc.) start out with an exhaustive list of things that can possibly happen. When the agent receives new information, it narrows down that list, so that the agent's knowledge becomes more precise over time. Consequently, her knowledge never grows. Economic agents never discover new things that expand their universe. Thus, existing economic theory has nothing to say about the modeling of, and behaviour in response to, unknown unknowns.

Experience and intuition contradict this view of the world. Becoming accustomed to possibilities that were once inconceivable is part of both history and our own life experience, and, as Rumsfeld's quotation suggests, forms an important basis for our decisions. Examples include national defense (e.g., new strategies of terrorists) and industrial organization (e.g., competitors inventing new products). Hence, both at the personal and societal level, our universe frequently expands as we become aware of new opportunities, and economic models should be able to capture this.

My recent research with Edi Karni from Johns Hopkins University incorporates unknown unknowns into economic models. In our framework, agents can make discoveries over time that expand their awareness. In going from the abstract idea of unawareness and growing awareness to an operational economic framework there have been two main challenges: The first is with the framework itself, since it has been proven that the traditional modeling framework precludes unawareness. The second is to connect preferences, that is, the utility function, across different levels of awareness.

In our first article, titled “Reverse Bayesianism: A Choice-Based Theory of Growing Awareness,” which was published in the *American Economic Review* in December 2013, we provide a framework for modeling the expanding universe of agents in the wake of growing awareness, and link preferences under different levels of awareness. We also develop utility functions that capture agents' behaviour as well as rules for updating agents' beliefs as awareness grows. The updating is dubbed “Reverse Bayesianism” because it is the inverse of the Bayesian updating that is used in the traditional models.

In the first article, agents are assumed, at any point, to act as if they are completely aware of all aspects of the universe. However, if an agent in the past has discovered new aspects of the world, it is reasonable for her to believe that it may also occur in the future. Our latest paper expands our framework to allow for this possibility and investigates the behavioural implications thereof. One of the results is that an agent's utility function now includes an attitude towards the unknown unknowns; hence we can talk about the agent showing fear or excitement about the unknown, just as we can talk about her being risk averse or risk loving. Our results are widely applicable. If, for example, an investor shows fear towards the unknown, investments that are less likely to generate unforeseeable results are preferred over similar investments that are more likely to generate unforeseeable results. This can explain a number of observations in financial markets.

Marie-Louise Viero is the winner of the 2014 QED Research Prize for her work on decision theory and microeconomics. She is the thirteenth recipient of this illustrious award. Marie-Louise follows in the footsteps of the previous winners Robin Boadway (x2) (PhD '73), Allen Head, Ian Keay (BAH '92), Susumu Imai, Huw Lloyd-Ellis (MA '90; PhD '94), Morten Nielsen (x2), Shouyong Shi, Katsumi Shimotsu, Ruqu Wang and Jan Zabojsnik.

## Rico Garcia wins 2013 Outstanding Student Award

The Queen's University Alumni Association honoured Rico Garcia (BAH candidate) with the 2013 Outstanding Student Award. While working towards his honours degree in economics and global development studies, Rico also volunteered in many areas across campus — with the Queen's Student Alumni Association, Arts and Science Undergraduate Society, ASUS, and the AMS Board of Directors, just to name a few. Rico has shown his commitment to engaging people across the university, from his work with the Queen's Summer Innovation Initiative to his support of the launch of the Queen's Initiative Campaign. See <http://www.queensu.ca/alumni/quaa/awards/outstandingstudent.html>.

## Scarthingmoor Prize

The Scarthingmoor Prize is awarded each year to the best MA essay(s). This year's co-winners were Stephen Kar-Fai Gee (MA '13) and Simon Richards (MA '13). Stephen's MA paper was entitled “*All The Time In The World: An Examination Of Time Preferences Using Monetary Delay Discount Rates*” and was written under the supervision of Professor Steven Lehrer. Simon's MA paper was entitled “*Financial Stability Under Heterogeneous Expectations*” and his supervisor was Professor Edwin Neave. The prize committee consisted of Professors Chris Ferrall (Chair), Marie-Louise Viero and Roger Ware (PhD '81).

## “NEW” Risk Policy and Regulation Diploma Program (RPRD)

The global financial crisis has emphasized serious gaps in our knowledge in a range of areas related to risk management, the banking system, risk regulation, and the interaction of all of these with the real economy. The RPRD has been designed to produce graduates who have the latest ideas and techniques to deal with risk management policy and regulation in the financial sector. This program is unique to Canada.

A key purpose of this post MA/MFE graduate program is the integration of current material from a wide variety of economic and related fields relevant for risk managers, regulators, supervisors, theorists, and financial stability overseers (such as central banks). This allows students to understand the various approaches as well as the challenges faced by all of these groups. For more information please visit the website <http://risk.econ.queensu.ca/>.



## Robin Boadway Retires

Robin Boadway's (PhD '73) retirement was celebrated at the QED Fall Party in October 2013. Robin has been a central member of the QED faculty for 40 years. This includes three years as coordinator of graduate studies and six years as Head of the department. He was the Sir Edward Peacock Professor of Economic Theory from 1991-2008 and was the first holder of the David C. Smith Chair from 2008 until his retirement this year.

During his time at Queen's, Robin has published 19 books and 11 edited volumes, 25 survey papers, 95 papers in edited volumes, 40 governmental reports, 38 invited presentations and 128 publications in refereed journals (and counting...). He has supervised approximately 30 PhD theses – that's 10% of all graduating PhD students from Queen's – and a vast number of MA students. His past doctoral students populate academic departments throughout Canada and the world, and his MA and PhD students hold top positions in the public and private sector.

Robin became a Fellow of the Royal Society of Canada in 1986 and has won numerous awards and prizes including the Harry Johnson Prize for the best article in the *Canadian Journal of Economics* (twice), the Queen's Diamond Jubilee medal and the QED Research Prize (twice). In 2008 his contribution to the economics profession and Canadian policy-making was recognized by his becoming an Officer of the Order of Canada.

Despite his retirement in July, Professor Boadway continues to be an active and central figure associated with the QED. We hope he will continue to offer his sage advice both to students and faculty and that he will continue to participate in all of our social and research activities.

## Doug Curtis Retires from Teaching

After many years as a popular instructor of one of our 4<sup>th</sup> year seminars, Doug Curtis (BAH '65; MA '66) has decided to allocate his time to other pursuits. Doug's seminar focused on macroeconomics and monetary policy and he successfully supervised many seminar papers in this area. Indeed, one of his students won the Purvis Prize for Best Seminar Paper in each of three consecutive years from 2003 to 2005. The winning students were Aron Seal (BAH '05; MA '06), Adam Birkin (BAH '04) and Valerie Stevens (BAH '03). We are grateful to Doug's contribution to the learning environment at QED and wish Doug good luck in his future endeavours.



## 2013 Undergraduate Teaching Award

Michael Abbott was the recipient of the QED 2013 Undergraduate Teaching Award. Professor Abbott has taught a remarkably wide range of undergraduate courses at Queen's, from economic principles to honours econometrics, and through them all he has consistently challenged and guided his students with intellectual curiosity, good humour and patience. Congratulations Mike!

## Fr. Raymond J. de Souza is Editor-in-Chief of *Convivium* Magazine



Fr. Raymond J. de Souza (BAH '93) Newman House chaplain and Adjunct Lecturer in the Queen's Economic Department is Editor-in-Chief of *Convivium* magazine. Published by Peter Stockland and Cardus, a Hamilton based public policy think tank, *Convivium* seeks to create and engage a community of Canadians who see the value of faith in our common life. In addition to six issues of the magazine each year, *Convivium* also hosts lectures and events for members throughout the year. Last May, *Convivium* and Cardus hosted Mark Carney in one of his very last public events as governor of the Bank of Canada. Some notable Canadians who can be found in the pages of the magazine include: Cardinal Thomas Collins, former Canadian ambassador to the Holy See, Anne Leahy (BAH '72), His Excellency Governor General David Johnston (LLB '66), and Lord Conrad Black. To learn more or subscribe, visit [www.cardus.ca/convivium](http://www.cardus.ca/convivium).

## The C.A. Curtis Prize

The C.A. Curtis Prize is awarded annually to the best doctoral thesis. Graduating PhD students who defended their thesis within the last two years are eligible for nomination. The 2011 prize was awarded to Eric Stephens (MA '03; PhD '10) for his PhD thesis entitled, "Constraints and Policy in Education and Public Budget Limits," supervised by Professors Robin Boadway (PhD '73) and Charles Beach. Eric is now an assistant professor at Carleton University. The 2012 prize was awarded to David Byrne (MA '05; PhD '11) for his PhD thesis entitled, "An Empirical Study of the Causes and Consequences of Mergers in the Canadian Cable Television Industry," supervised by Professors Chris Ferrall and Susumu Imai. David is now an assistant professor at the University of Melbourne.

## QED PhD Graduates Ranked among World's Top 20

A new set of rankings from Research Papers in Economics (RePEc) positions the Queen's Department of Economics as first in Canada and among the top 20 institutions worldwide for the achievements of its PhD graduates. Out of 6,164 institutions worldwide, Queen's ranked 19th in 2013 based on the scores of its PhD graduates, ahead of other high caliber institutions such as UCLA, Cornell and Duke. In Canada, the University of British Columbia, Western University and the University of Toronto followed Queen's at 29th, 31st and 42nd, respectively. According to the broader RePEc rankings, which average institutional scores across a large number of criteria, Queen's ranks third overall in Canada behind UBC and UofT.

Hongfei (Amy) Sun, Assistant Professor in QED, has been awarded the prestigious 2013 Bank of Canada Governor's Award for her work on monetary theory and macroeconomics. More information regarding this prestigious award, including comments from Governor Poloz (BAH '78) may be found at: <http://www.bankofcanada.ca/2014/03/bank-canada-announces-recipients-2014-fellowship-governors-awards/>.

# Thank you to Chancellor David Dodge



David Dodge (BAH '65) has announced that he will not seek a third term as chancellor of Queen's University when his current term ends on June 30, 2014. Chancellor Dodge was installed in 2008 and is an active participant in Board of Trustees meetings and on key committees. He plays a vital external role for the university, drawing on the relationships he built during his career to promote Queen's to government and the private sector.

Chancellor Dodge's involvement with the QED stretches back to his undergraduate days, when he earned a BAH in Economics in 1965. After completing his PhD at Princeton in 1972, he returned to the QED as an assistant professor. He subsequently joined the

federal public service, where he rose to the position of deputy minister of finance. He was later appointed deputy minister of health before taking over as governor of the Bank of Canada from 2001-08. Queen's conferred an honorary degree on Chancellor Dodge in 2002 and he was installed as an Officer of the Order of Canada in 2007.

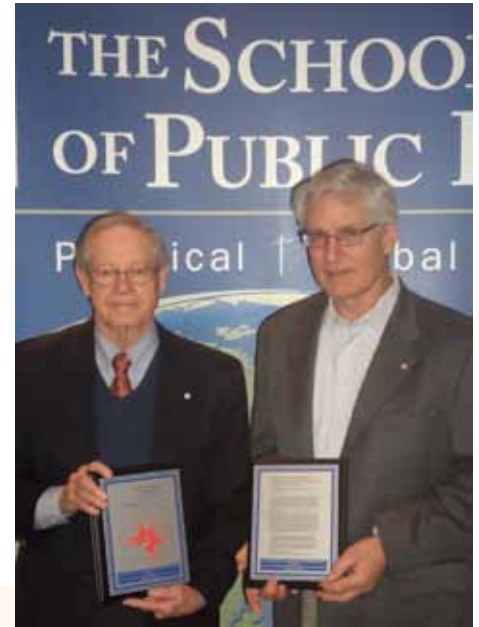
## Economics Student Named Top Queen's Athlete

Liam Underwood (BAH candidate), a member of the Gaels' 2013 Ontario championship men's rugby team, was awarded the Jenkins Trophy as the top male senior student-athlete for 2013-14. The award was announced at the Queen's University varsity teams' athletic banquet on March 25th. Liam is a Toronto native who is majoring in economics. (See [http://gogaelsgo.com/news/2014/3/25/RBYW\\_0325144644.aspx](http://gogaelsgo.com/news/2014/3/25/RBYW_0325144644.aspx).)



## QED Receptions

The QED's latest reception for Toronto-area alumni took place on November 7, 2013 in the King Gallery at One King West. A large number of alumni were present, as well as staff and faculty from the QED. It was great to chat with alumni from 2013 all the way back to 1968. Our next reception will likely take place in Ottawa. To ensure that you receive an invitation, please make sure that we have your correct contact information. If you are interested in helping to organize or sponsor a QED reception in Ottawa, Toronto, or perhaps somewhere else that has a sufficient number of QED alumni, please get in touch with Juanita Dennie, whose contact information can be found on page 8.



In recognition of their contribution to fiscal federalism research, Robin Boadway (PhD '73) and Tom Courchene were presented an award at the University of Calgary's School of Public Policy Equalization Grants Conference, January 28-29, 2014. The conference was attended by scholars and experts on the Canadian Equalization system.

## The Huguette and W. Bentley MacLeod Fund

The Huguette and W. Bentley MacLeod Fund was established to provide awards to undergraduate students so that they may serve as research assistants to faculty members in the Department of Economics or the Department of Mathematics and Statistics. The ultimate goal is to aid and encourage students to pursue new ideas in the service of society.

This Fund was established in 2013 by a generous gift from Dr. W. Bentley MacLeod in memory of his late parents.





## 4<sup>th</sup> Year Dinner

The annual Fourth-Year Dinner for the class of 2014 was held on November 15, 2013 at the Delta Waterfront Hotel in downtown Kingston. The guest speaker was Michael Hilliard (BAH Econ/Pols '93), Senior Counsel for Microsoft, who gave an informative and entertaining talk to the 80 students and faculty who attended. Back row left to right: Father Raymond de Souza (BAH '93), Lily Jdanovitch (BAH candidate), Huw Lloyd-Ellis (MA '90; PhD '94), Michael Hilliard (BAH Econ/Pols '93), Roger Ware (PhD '81). Front row left to right: Joelle McKay (BAH '14), Emily Valentini (BAH '14), Dylan Brown (BAH '13; MA '14 candidate), and Rosemary Cooke Hilliard.

## A Better Way to Restructure Sovereign Debt

by Brett House

In contrast with individuals and companies, no bankruptcy procedures exist for countries that become unable to service their debt. The 2008 financial crisis and the Greek debt restructuring have highlighted the costs generated by our current ad hoc approach to sovereign debt treatment. Nevertheless, we still lack the political consensus that would be required to negotiate a formal, statutory sovereign bankruptcy process.

With corporate insolvency lawyer, Richard Gitlin and the Centre for International Governance Innovation (CIGI), alumnus Brett House (BAH '94) has recently crafted a proposal for a Sovereign Debt Forum (SDF) that would produce better outcomes from sovereign financial crises without requiring a heavy reform of institutions or legal frameworks. Their detailed SDF proposal can be found at: <http://www.cigionline.org/publications/2014/3/blueprint-sovereign-debt-forum>. Brett tweets on @BrettEHouse.

## Public Lectures and Weatherall Visitors

Robert Frank, HJ Louis Professor of Management and Professor of Economics at Cornell University presented the 2013 W.A. Mackintosh Lecture on October 28, 2013. His lecture was entitled "Success and Luck."

Joshua Angrist, Ford Professor in Economics at the Massachusetts Institute of Technology (MIT) presented the W. Edmund Clark Lecture on November 21, 2013. His talk was entitled "Public School Reform: Are charter schools effective in improving college preparation, college attendance, and college choice?"

The John Weatherall Distinguished Fellow and Visiting Scholars program hosted 11 visitors during 2013: **Edi Karni** (John Hopkins, March 18-22, 2013), **Victor Rios-Rull** (Minnesota, June 3-7, 2013), **Giuseppe Cavaliere** (Universita di Bologna, August 21-27, 2013), **Rob Taylor** (University of Nottingham, August 21-27, 2013), **David Longworth** (Fellow, C.D. Howe Institute and Former Deputy Governor of the Bank of Canada, September 1, 2013-May 31, 2014), **Joseph Altonji** (Yale University, September 30-October 4, 2013), **Loretta Fung** (National Tsing Hua Tsing University, September 30-October 4, 2013), **Alison Wolf** (Kings College, London, September 30-October 4, 2013), **Martin Wolf** (Financial Times, September 30-October 4, 2013), **Enrique Mendoza** (University of Pennsylvania, October 7-11, 2013), and **Henry Siu** (University of British Columbia, November 11-15 and 25-29, 2013).

The annual **Frontiers of Macroeconomics Workshop** was held on April 26, 2013. Speakers included: Marco Bassetto (Federal Reserve Bank of Chicago), Craig Burnside (Duke University), Jennifer La'O (University of Chicago), Yuliy Sannikov (Princeton University), and Martin Schneider (Stanford University).

## The Honourable Mr. Justice David Henry Memorial Fund in Economics

The Honourable Mr. Justice David H.W. Henry Memorial Fund in Economics was established to support research and teaching in the areas of legal economics, industrial organization, and competition policy. The fund was established to recognize the Honourable Mr. Justice David H.W. Henry (1916-2011)(BAH), a 1939 graduate of the Department of Economics who went on to have a long and distinguished career as a soldier, lawyer, public servant, and judge. He was Director of Investigations and Research under the Combined Investigation Act from 1960 to 1973; a position that has evolved to what today is the Commissioner of the Competition Bureau. He was the Chairman of the Committee of Experts on Restrictive Trade Practices for the OECD between 1966 and 1972, and he was a Justice of the Supreme Court of Ontario between 1973 and 1991. Between 1991 and 1996 he served with the Ontario Criminal Code Review Board, with The Private Court, on contract with the Federal Court and with the Attorney General of Canada.

This fund was established in 2013 by a generous gift from his daughter Janice Henry Friis and his son-in-law Morten Friis (BAH '77) to honour the memory of Mr. Justice Henry and help to strengthen the interdisciplinary offerings of legal economics, industrial organization, and competition policy in the Department of Economics.

## Congratulations

Effective September 1, 2013 **Rachel Mosier (Ferreira)** officially resigned as the Graduate Assistant in the department. She decided to return to full-time studies to complete an MBA at the Warwick Business School. Also, Rachel recently got married, August 3, 2013 to **Afrasiab (Af) Mirza** (PhD Candidate) and they now reside in the UK.

**Heather Conway** (BA '84) was appointed CBC's next Executive Vice-President of English-Language Services.

Congratulations to **John Maheu** (MA '94; PhD '98) upon receiving the Arnold Zellner Paper Award for 2012 for his project (co-authored with Mark Jensen) entitled "Bayesian Semiparametric Stochastic Volatility Modeling." The award is given bi-annually to the best theoretical paper published in the *Journal of Econometrics*.

Congratulations to **Jacqueline Allard** (BAH '93) for being named in Canada's Most Powerful Women: Top 100 Awards 2013 by the Women's Executive Network. Jacqui is Head of Operations and CIO for Manulife Financial Corporation.

The Department would like to welcome **Alison Burnett** as part of the QED staff. Alison will be the administrative support for our new graduate Risk Policy and Regulation Diploma (RPRD) program.

Congratulations to **Jonathan Lee** and **Kamin Peyrow** (both PhD candidates) who were married on July 13, 2013 at Stanley's Farm in Ottawa.

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## Deaths

**David Armstrong** (BAH '74) passed away on May 28, 2013 in his 61st year. Earlier in his career he was the Policy Advisor to the Minister of National Health & Welfare and then became Chief of Staff to the Minister. In 1982 David took over as Chief Executive Officer with Imperial Oil and then later worked for Suncor from 2006 to 2012 when he joined Enbridge.

**Dorothy Anne Daniel** (nee Glen) (BAH '55) passed away on November 13, 2013 in her 80th year. Dorothy was a teacher and taught in London, Chatham and St. Catharines.

**Christopher Lounds** (BAH '94) passed away suddenly and unexpectedly on August 1, 2013 at the age of 42. At the time of his death, Chris was living in the Toronto area.

**John Matheson** (BAH '40; LLD '84) passed away at the age of 96 on December 27, 2013. He was an influential figure in the development of national symbols such as the Canadian flag and the Order of Canada. Mr. Matheson graduated from Queen's in 1940 and subsequently served in the Second World War as a member of the Royal Canadian Horse Artillery. He retired from the military at the rank of colonel in 1945, after which he earned a law degree and began practicing in

## Births

**Michael Kottelenberg** (PhD Candidate) and his wife Deanne would like to announce the birth of their beautiful baby girl, Gwen Elizabeth, born on May 20, 2013 weighing 9 lbs. 7 ozs.

**Tian Xie** (MA '05; PhD '13) and **Jane Yue Qiu** (MA '08; PhD Candidate) would like to announce the birth of their daughter, Nora Xie, born on July 6, 2013 weighing 6 lbs.

**Stephen Fertuck** (MA '02) and his wife Alison Clegg are proud to announce the birth of their first child, Casper Alexander Fertuck, born on September 19, 2013 weighing 7 lbs. 11 ozs. Stephen works in Ottawa as the Director of Policy Integration at Industry Canada.

**Ruqu and Tao Wang** (MA '06; PhD '12) are happy to announce the birth of their son, Aaron, born on November 8, 2013 weighing 7 lbs. 4 ozs.

**David Byrne** (MA '05; PhD '11) and **Maria Muir** (MA '05) are pleased to announce the birth of their first child, Madeline Elizabeth, born on December 29, 2013 weighing 8 lbs. David and Maria reside in Australia.

**Mike Cloutier** (PhD Candidate) and his wife Sophie are pleased to announce the birth of their second child, Eli Cloutier, born January 28, 2014 weighing 8 lbs. 4 ozs. Mommy, Daddy and big sister Eva are very happy and slowly adapting to this new reality.

**Bahman Kashi** and **Shohreh Keshavarz** welcome the birth of their first child, a son, Kian, born on April 26, 2014 weighing 7 lbs. Bahman is Program Manager and Economist with the John Deutsch International program.

**Ke Xu** (PhD Candidate) and her husband, Jian Chen, would like to announce the birth of their third child, Ming, born on May 9, 2014 weighing 6 lbs. 12 ozs. A little brother for Andy and Bruce.

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Brockville. He was elected to the House of Commons in 1961 and was the parliamentary secretary to Prime Minister Lester B. Pearson from 1966-68. Queen's honoured Mr. Matheson with a Distinguished Service Award in 1977 and an honorary degree in 1984.

**Beverley A. Schaefer** (nee Doherty) (BAH '73) passed away on January 18, 2014 in her 62nd year. At the time of her death, Beverley was living in Williamstown, Ontario.

**Doug Tattrie**, (MA '90; PhD '97), passed away in Vancouver General Hospital on October 7, 2013. Doug became a graduate student in the QED after an earlier career as a journalist. After completing his doctorate he became a senior research associate at the Social Research and Demonstration Corporation (SRDC), where he made major contributions to the understanding of welfare-to-work programs, employment insurance, disability supports, education, literacy training in the workplace, and tax policy. Doug also managed research associated with the Self-Sufficiency Project and was SRDC's lead adviser on econometric issues.

## Awards to Graduating Honours Students 2013

**Douglas D. Purvis Prize in Economics**  
(for best 400-level seminar paper)

Omar Ibrahim Eldessouky, "The Credit Channel of Monetary Policy: Effects on the Housing Market in the Time Period Preceding the Recent Financial Crisis."

Supervisors: Thor Koepl and Allan Gregory

**The Chancellor C.A. Dunning Prize for Best Honours Thesis**

John Pries, "Measures of Economic Income and Well-Being: A Cost-Deducted Approach with Empirical Assessments."

Supervisor: Charles Beach

**Department Medalist and Chancellor C.A. Dunning Prize**

Frederic Tremblay

Patrick Robert Stellick was a medal recipient for Economics and History

## Company Matching Gift Program

Many companies match charitable donations by their employees. Be sure to take advantage of this if yours does. See <http://giving.queensu.ca/matchinggifts/>.

## Juanita Dennie contact information

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

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Career Resources Assistant /  
Alumni Coordinator  
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## We Want to Hear from You!

In each *QED Newsletter*, we publish a section on the activities of our graduates. 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.

## 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 Juanita Dennie.

If you would like to visit the department to hold information sessions or interviews, Juanita would also be happy to help with the process. We realize recruiters time and budgets may not allow campus visits, so if we can help with video conferencing through, for example, Skype, or any other software you are currently using, please let Juanita know.

## Queen's Economic Alumni Network for MA and PhD Alumni

The Queen's Economic Alumni Network (QEAN) is a new group that provides networking opportunities for the Queen's Economics Department community. The goal is to provide means for Queen's MA and PhD alumni to connect with other alumni as well as current students to create both professional and personal relationships. Events, such as pub nights, have already been organized in Ottawa and Toronto and provided the opportunity for several alumni to meet, remember their times in Dunning Hall and share their new work experiences. Be part of it! You can join their Facebook group for more updates and news about the QEAN events and to keep in touch with your fellow alumni at [www.facebook.com/groups/QEconAN](http://www.facebook.com/groups/QEconAN).

## Planned Gifts to the QED

Throughout the history of the University, bequests have done more to transform Queen's than any other acts of generosity. This is certainly true for the Economics Department, where the generous bequest of the late **Sir Edward Peacock** (1871-1962) led to the establishment of the **Peacock Professorship** that brought Richard Lipsey to Queen's in 1970 and had an enormous impact on the subsequent development of the QED.

A well-planned gift can reduce, or even eliminate, taxes, and it can substantially increase the donor's after-tax income. If you are interested in directing a bequest to the Economics Department, please contact the Office of Planned Giving by calling 1-800-267-7837 and asking to speak to **Faye Ransom** or emailing **Faye** at [faye.ransom@queensu.ca](mailto:faye.ransom@queensu.ca). Note that, if you so wish, any communication with her can be entirely in confidence.