

JANE JACOBS: LIFE, DIVERSITY, AND GROWTH





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Our mission is to improve the quality of life for Canadians, their families and future generations by studying, measuring and broadly communicating the effects of government policies, entrepreneurship and choice on their well-being.

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WELCOME

Dear Readers:

Thank you for reading this latest edition of the *Canadian Student Review*. Our success has only been made possible by our wonderful student contributors and nationwide audience. I hope this Spring season brings more joy and learning your way.

This issue features three of our student contributors. Neil J. Adam explores how freedom influences our happiness, William Dunstan explains how free trade benefits the middle class, and Meg Deak shares her insight on Virgil Storr and Ginny Choi's book, *Do Markets Corrupt Our Morals?* In addition to these contributions, this issue highlights a recent infographic that measures the impact of federal personal income tax changes on middle income Canadian families. Within these pages you'll also find a video from the Fraser Institute's *Essential Natural Law* series, "What Is Natural Law?"

We're also including an insightful quote from Jane Jacobs, two exciting blog posts, and two more recordings from the Explore Public Policy Issues webinar series for your enjoyment.

If you or someone you know wishes to contribute content to the *Canadian Student Review*, please have them contact me directly at

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Regards,

Daniela



Daniela Castillo

LIFE SATISFACTION AND FREEDOM: AN EXAMINATION OF THE ECONOMIC FACTORS THAT INFLUENCE BOTH

NEIL J. ADAM

In the beginning of the *Nicomachean Ethics*, Aristotle posits that the end goal of all rational actions, and life, is happiness. While there are many disagreements on just what defines happiness, most do agree that happiness is the ultimate object of life. A simple way to measure something as vague as happiness is the Cantril ladder, which asks respondents to rank their life on a scale of zero to ten, where ten is the best life they can have and zero is the worst. This measure can be applied to countries, too.

Overall, a country's Cantril ladder score (defined as the average score of a nationally representative sample) is a good measure of happiness in that it allows respondents to indicate their own level of happiness, which circumvents any issues that may arise from there being cultural or idiosyncratic differences in the definition of happiness. Thus, the effect of a particular policy on a country's Cantril ladder score may be a factor that some governments will want to consider since governments have both an incentive to maximize happiness and a means of measuring it. There are many facets to happiness, but the one this paper explores is the freedom to make life choices. More specifically, it explores the impact of sound money and a strong legal system and property rights on the freedom individuals have to make life choices. Furthermore, sound money and a good legal system and property rights have a theoretical and statistical impact on people's perception of their ability to make life choices.

Data

Two sources of data were used to analyze the relationship between life satisfaction and economic

freedom. The data concerning life satisfaction come from the World Happiness Report (WHR) published by the United Nations Sustainable Development Solutions Network. The data for economic freedom come from the Economic Freedom of the World (EFW) Index published by the Fraser Institute. The life satisfaction data in the WHR is collected through Gallup World Poll surveys and data for the variables used in the EFW Index is collected from many reliable third-party sources such as the United Nations, the International Monetary Fund, and the World Bank. After removing observations that are incomplete in the context of this analysis, the data cover the observations of 145 countries from 2005 to 2019. In the WHR's data, the variables relevant to our analysis are the Cantril ladder (or life ladder), freedom to make life choices, perception of social support, and perception of corruption. The two most relevant areas within the Economic Freedom of the World Index are those of "sound money" and "legal system and property rights," with the former having the highest mean across all observations while the latter has the lowest mean across all observations. This means that, on average, the best maintained institution in most countries is that of sound money and the worst maintained institution is legal system and property rights. This discrepancy can have

THE FREEDOM TO MAKE LIFE CHOICES IS SHOWN TO HAVE A POSITIVE AND STATISTICALLY SIGNIFICANT IMPACT ON HAPPINESS



different policy implications for the improvement in life satisfaction. More specifically, progress in life satisfaction stemming from improvements to sound money institutions can be comparatively smaller than the returns from improvements to a country's legal system and property rights since there is more room to improve the latter than the former.

Analysis

There is both a theoretical and empirical link between peoples' freedom to make life choices and their life satisfaction. Theoretically, people who feel that they have less agency in their lives are not as happy with their lives as those who do. Murat Kotan's article "Freedom or Happiness?" explains this further. Kotan asserts that people will be happier if they are given the freedom to satisfy their own subjective desires. This claim can also be empirically corroborated. Data from the Gallup World Poll can be used to form a linear regression to ascertain the effects on happiness of perceptions of corruption, social support, and freedom to make life choices. After setting some constraints to ignore the potential obfuscating effects of other variables, the freedom to make life choices is shown to have a positive and statistically significant impact on happiness (meaning the data was very unlikely to have been observed if freedom to make life choices

had no impact). Since there is an observable link between happiness and freedom to make life choices, it is prudent to examine the economic variables that can affect the freedom to choose.

From the Fraser Institute's Economic Freedom of the World Index, sound money, one of the two areas that have a statistically significant and positive impact on how people perceive their freedom to make life choices, is a metric that requires a predictable growth in the money supply and in prices. Not having stable money jeopardizes people's freedom to make life choices for a variety of reasons, all of which boil down to uncertainty. Money is, among other things, a store of value across time, space, and individuals with subjective valuations. In fact, money is indispensable in advanced economies due to its variety of uses (Mises, 1912/2013: 49). Money encourages long term investment and specialization (Murphy et al., 2019: 56), and consequently uncertainty in the future value of money discourages both. Less long-term investment can lead to fewer employment opportunities, while less specialization means citizens will not be able to fully take advantage of their skills. Both conditions reduce people's freedom to choose, which ultimately reduces happiness.

The second area from the Fraser Institute's Economic Freedom of the World Index that has a statistically significant and positive impact on how people perceive their freedom to make life choices is a strong legal system and strong property rights. That metric measures the impartiality and consistency of the law's application and its protection of peoples' property. The issues that arise from a weak legal system and little protection of property rights are many, but again, all boil down to uncertainty. A weak legal system means that people are less able to predict judicial responses to particular actions. This limits the actions people can safely take, which naturally limits their freedom of choice. Little protection of property rights means that the very foundation of any economy, voluntary exchange, simply isn't possible since exchanges in such an environment are likely to be involuntary (Murphy et al., 2019: 34). Less control over one's property similarly decreases a person's freedom to make life choices. On the whole, weaker legal systems and less protection of property rights lead to more uncertainty, which reduces people's freedom of choice, ultimately resulting in a decrease in happiness.

Conclusion

There are theoretical and empirical reasons to associate sound money, stronger legal systems, and more property rights protection with more freedom to make life choices, which in turn implies an increase in life satisfaction. These associations can influence policy-making decisions since there is a relatively demonstrable causality between them. More specifically, the maintenance and improvement of the aforementioned policy goals would be important to countries who wish to increase their citizens' life satisfaction. However, it might be more prudent for most countries to prioritize strengthening their legal systems and property rights over sound money improvement since most countries have weaker legal systems and property rights compared to sound money, which means that there can be more life satisfaction gains from improvements to the former relative to the latter. On the whole, governments ought to prioritize these metrics of economic freedom in order to increase the life satisfaction of their citizens since, as Thomas Jefferson wrote, "The care of human life and happiness, and not their destruction, is the first and only object of good government." ♦

Neil J. Adam is completing an economics specialist degree at the University of Toronto. His interests include monetary and fiscal policy, distributive justice, and econometrics. He is passionate about economic welfare, and how it can be improved for all.

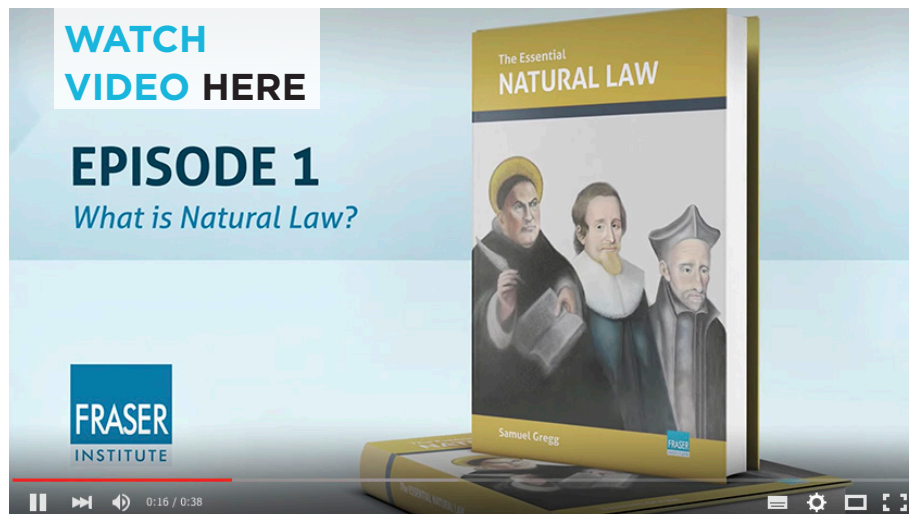


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ESSENTIAL NATURAL LAW: WHAT IS NATURAL LAW?

NATURAL LAW IS A PHILOSOPHICAL AND SCHOLARLY TRADITION THAT TRACES ITS ROOTS BACK THOUSANDS OF YEARS. AT ITS CORE, NATURAL LAW POSITS THAT ALL HUMANS POSSESS REASON, AND AS SUCH, ALL PEOPLE, WHATEVER THEIR ETHNICITY, CULTURE, OR RELIGION, HAVE THE ABILITY TO KNOW THE DIFFERENCE BETWEEN GOOD AND EVIL, RIGHT AND WRONG.



ALL FAMILIES SHOULD HAVE ACCESS TO INDEPENDENT SCHOOLS DURING COVID—AND BEYOND

DEREK J. ALLISON

After nearly two years of school closures, distance learning and other measures, independent schools, which are more responsive to parents, may now look more and more attractive. Especially as many parents have now learned through experience that homeschooling is harder and more demanding than perhaps previously imagined. And because government-run schools remain vulnerable to disruptive actions by teacher unions under the name of public health.

The government-mandated rules on COVID mitigation measures, such as social distancing and mask-wearing, seem to change daily, which raises questions about the respect governments have for the independence of independent schools. But the treatment of such measures may be the decisive factor for many parents choosing a future school for their children.

Still, I can hear you screaming—I can't afford it!

Sure, the really expensive independent schools are beyond the reach of most Canadians. And if you can afford one, you and your kids are probably already enjoying teachers and school leaders who really know your child and how he or she is doing, who keep you well-informed about his or her progress, and always answer the phone.

But in Ontario, for example, there are only a few of these really expensive independent schools among the 1,500 or so in the province. Many of the others are more reasonably priced, especially religious schools, which are about half of all independent schools in Ontario.

The Ontario government provides a downloadable list of the province's independent schools, complete with addresses and phone numbers, but there's no comprehensive list of tuition costs. Various easily found websites give costs for selected (although typically more expensive) schools. With many of those charging fees around \$12,000 and up, most will likely experience sticker shock at first glance. But again, notice that many schools offer family and other discounts. If you contact an independent school and ask about the options, you may be surprised.

Even so, it will be expensive. And no matter what they do, some families still can't afford it. But many families free up money in many ways (research has shown that independent school families exist across the income spectrum). Some postpone vacations. Many drive older cars, defer home improvements, sell or remortgage the cottage, find extra paid work, shave other costs. Grandparents are often eager to help when they can. As with all things, it really depends on how much you want the benefits available. If a child is not doing well in his or her school, and the principal and teachers seem unable to help much, some belt-tightening will seem bearable.

More fundamentally, why should anyone, especially lower-income families, have to pay the full cost of an independent school (which is in essence simply an alternative to the government option) out of their own pocket? Why must children of all but wealthier families be denied meaningful school choice? Is it fair that families who already pay for their kids' schooling through their tax dollars also must scrimp and save



to send their kid to the school that best fits their children's needs?

Independent schools can provide as good an education as government-run schools, even better. If education taxes are meant to pay for educating our young, why can't that education take place in an independently run school? Government has an obligation to ensure all children are educated, but this does not mean government must run every school it funds.

Parents shouldn't have to struggle to educate their children in a school of their choice. Other taxpayers, even staunch public-school supporters, surely support every child's right to a good education. If parents believe independent schools are the best fit, why should their lack of wealth prevent them from making this choice? And if our public schools are really as good as claimed, they should welcome serious competition on a more level playing field. ◆

Derek J. Allison, B.Ed., M.Ed., Ph.D., is a Professor Emeritus in the Faculty of Education at the University of Western Ontario. Derek began his teaching career in England, before moving to Alberta, where he was a school principal. After completing his graduate work at the University of Alberta, he accepted a position with the faculty of education at the University of Western Ontario. He has an extensive record in research and publication with particular interests in the organization and operation of schools, theories of leadership, and the philosophy of inquiry.



MEASURING THE IMPACT OF FEDERAL PERSONAL INCOME TAX CHANGES ON MIDDLE INCOME CANADIAN FAMILIES SINCE 2015

[READ MORE HERE](#)

Ottawa's tax changes resulted in **HIGHER** personal income taxes for **86%** of middle-income families

TAX REDUCTION

- Reduced 2nd lowest income tax rate

TAX INCREASES

- Introduced new, higher income tax rate
- Eliminated income splitting
- Eliminated children's fitness and art tax credits
- Eliminated education and textbook tax credits
- Eliminated public transit tax credit



NO, FREE TRADE HAS NOT DESTROYED THE MIDDLE CLASS

WILLIAM DUNSTAN

There has been a substantial reduction in international trade barriers and a corresponding increase in international trade volumes in recent decades. Between 1980 and 2010, global exports grew by nearly 3,500 percent (Erixon, 2018). Expanded trade has produced significant economic benefits. There is a growing narrative, however, that ordinary citizens in advanced Western economies like Canada have seen little to none of these economic gains. Increasingly, free trade and globalization are accused of only benefiting the rich, and even of destroying the middle class in the West. You might have encountered these arguments in books like Jeff Rubin's *The Expendables* or in reports like the Economic Policy Institute's *U.S. Trade Policy—Time to Start Over*.

This narrative is inaccurate, although its prevalence is understandable. Trade liberalization inevitably creates some losers, and citizens of Western countries are inundated with misleading statistics that purport to show middle-class stagnation. On the whole, however, ordinary people in countries like Canada have benefited immensely from free trade.

The most notable benefit of increased trade is greater access to a more varied, higher quality, and less expensive array of goods and services. In the United States over the past few decades, for example, the variety of consumer goods has doubled while the price of many goods has fallen dramatically (Erixon, 2018). In 1980, the average American worker had to work 61 hours to get the income needed to buy a microwave; today that figure is 3 hours.

Of course, not all of these price reductions can be attributed to globalization. However, Erixon (2018) estimates what the cost of typical household products would be had they not been exposed to international trade and competition between 1970 and 2005. The results are striking. In many Western countries, the price of vacuum cleaners, washing machines, and refrigerators would be several hundred dollars higher than they are in the absence of international trade. Notably, these price reductions have occurred even as the quality of products has improved. The average microwave or washing machine available today is vastly superior to its equivalent in 1980, yet these products have become much cheaper in the intervening years.

The benefits of free trade extend beyond consumer prices. A recent IMF paper looking at the period between 1963 and 2014 reveals the adverse impacts of introducing trade restrictions in advanced economies (Furceri et al., 2019). Over five years, a 3.6 percent increase in tariffs leads to, on average, a 1.0 percent reduction in productivity and output. Our levels of productivity and output ultimately determine our standards of living, so evidence that tariffs worsen these metrics indicates that there is no economic case for restricting trade. Further, increased tariffs appear to cause a small but statistically significant increase in unemployment and income inequality. This evidence that tariffs aggravate economic inequality stands in stark contrast to claims that free trade benefits the rich at the expense of low and middle-class families.

International trade has wide-reaching benefits, and measures restricting trade often have regressive

impacts. Why, then, has the notion that trade liberalization has not benefited ordinary folks become so prevalent? Two facts can fuel free trade skepticism when taken out of context.

First, free trade can reduce employment in specific industries. For example, it has been estimated that trade liberalization with the United States via the Canada–US Free Trade Agreement and later NAFTA caused one in eight jobs to disappear in certain manufacturing sectors in Canada (Trefler, 2004). Crucially, though, the same estimates suggest that these two trade deals had no negative long-term impact on overall employment rates in Canada, or even in the Canadian manufacturing industry as a whole. Some jobs are inevitably lost as economies re-orient in response to liberalized trade, but as Canada’s experience shows, new jobs are created elsewhere as countries specialize in their areas of comparative advantage.

Aiming to preserve jobs by protecting certain industries from global competition is an understandable, but misguided, instinct. Although trade restrictions

might save jobs in particular industries, their impacts threaten employment elsewhere in the economy. Import tariffs result in higher prices for consumers and higher input costs for producers. They can also provoke retaliatory tariffs from other countries, thus hurting exports. Protectionism, like free trade, creates winners and losers. But whereas consumers along with innovative and efficient businesses win out under free trade, protectionism benefits the industries that are most effective at lobbying for government support and makes losers out of everyone else.

The second fact casting a poor light on free trade is widely cited statistics that ostensibly show widening economic inequality and middle-class stagnation following the international trade boom that began in the 1980s. For instance, according to Statistics Canada (2022), between 1976 and 2019, the average Canadian family’s inflation-adjusted market income increased by 21 percent while the median family income increased by less than 1 percent. Many factors influence income distributions, but soaring average incomes coupled with stagnant median incomes would seem to support



claims that free trade has not benefited ordinary Canadians.

However, as a 2016 Fraser Institute report, *The Myth of Middle-Class Stagnation in Canada*, describes, statistics like these are misleading. Boudreaux et al. (2016) explain that these statistics fail to account for changes in taxes and government transfers and the decreasing size of Canadian families. They also rely on a Consumer Price Index that overestimates inflation. The authors look at Statistics Canada data from 1976 to 2011; over this period, the data show a 7 percent reduction in the median Canadian family's inflation-adjusted market income. But when considering post-tax and transfer

incomes rather than market incomes and adjusting for CPI bias and changes in family size, median family incomes actually increased by 52 percent over that period (Boudreaux et al., 2016). This can hardly be described as stagnation.

Far from destroying the middle class, globalization and free trade have delivered substantial benefits to ordinary people in Canada and other advanced Western economies. Headlines publicizing factory closures and statistics taken out of context might tell a captivating story and appear to prove that free trade is evil, but a more complete story of globalization is one of shared prosperity. ♦

William Dunstan is a Public Affairs and Policy Management student at Carleton University. He has a passion for the power of markets to improve people's lives and for developing policy that allows this to occur.



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A REVIEW OF *DO MARKETS CORRUPT OUR MORALS?*

MEG DEAK

In today's political climate, if you speak with college-age youth it won't take you long to hear complaints about the immorality of the market. Looking at the media we consume it is hardly a question as to why. Markets are painted as evil in many of the stories we are sold. The tale of the greedy, selfish businessman rewarded by the market is not unfamiliar. One of the most famous and well-known stories of this type is the tale of villainous cheapskate Ebenezer Scrooge from Charles Dicken's *A Christmas Carol*. The values that some of the characters in such tales possess are immoral and undesirable, and their lives serve as a warning about the immorality of the market.

Virgil Storr and Ginny Choi convincingly argue against the idea that the market is immoral in their book *Do Markets Corrupt Our Morals?* (2019, Palgrave MacMillan). Prior to laying out their argument that the markets are, indeed, moral, the authors thoroughly catalogue famous criticisms of the market from various well-known scholars including Aristotle, Thomas Aquinas, Jean-Jacques Rousseau, Karl Marx, and modern critic Michael Sandel.

Admittedly, after reading through these criticisms, I found it easy to agree with Rousseau and Marx's arguments that markets are exploitative, divisive, and bring out the worst in people. However, those who believe in the moral peril of markets, as I did before reading this book, will find it nearly impossible to maintain this belief when presented with Storr and Choi's defense of the market. The book provides enough evidence that markets are moral to challenge even the most adamant market critic.

Storr and Choi provide a fresh and unapologetic defense of the free market that does not rely on a cost benefit analysis; rather, they point to the market

as a moral training ground. Viewing the market in this way it's hard not to see it as essential for democracy. In a democracy, average, everyday people are considered the primary source of political power. In the market, people trust each other with this power. This creates a story of government by the people rather than one of government ruled by the rich.

Storr and Choi argue that people can use the free market to improve their lives. They point out that people in market societies are wealthier, healthier, happier, and better connected than people in nonmarket societies. They add that markets reward good behaviour and can even punish bad behaviour. Beyond improving our own lives, markets allow us to help others, not in spite of the market's competitive nature but because of it. According to the authors, "Markets are competitive spaces where individuals succeed by serving and supporting rather than supressing."

One of the things I appreciate about the book is that, contrary to the usual purely rhetorical discourse on the subject, the authors support their argument with both quantitative and qualitative evidence. Storr and Choi show how these benefits of the free market aren't exclusive to the rich. The poor and disadvantaged have historically been able to escape desperate situations by being involved in the market.

One of Storr and Choi's most interesting examples is the case of Bahamian slaves, who used the market to sell a few hours of their labour and improve their lives. The example debunks the idea that slavery was a problem of the market and shows that rather, it was a problem of economic freedom.

The key here is the idea of economic freedom. One of the book's core takeaways is that markets are a space where people are free to reflect on their moral choices; it shows how the ideals of the market coincide with democratic values. The authors remind critics of the market that "ultimately, the people who populate the marketplace are also the people who populate society." Storr and Choi imply that market critics are not only distrustful of the morality of markets, but distrustful of their neighbours and the ability of others to behave morally without intervention. Readers who view markets in the way the authors suggest will find it is hard not to see them as essential to the democratic idea of "power to the people."

If we consider markets to be moral training grounds, then there are costs to interventionism, and those costs restrict the ability of participants to engage in peaceful economic activity. In my view, the authors missed an opportunity to elaborate on this point and further support their hypothesis. They could have included examples of ways government intervention has led to more crisis, violence, and corruption,

including Prohibition, the War on Drugs, and the War on Terror. However, despite this minor criticism, the book is a must-read for everyone, market defenders and critics alike.

The most profound idea I took from Virgil Storr and Ginny Choi's book is that in acting as a moral training ground, markets provide an alternative to the "evil businessman" cliché. *Do Markets Corrupt Our Morals?* points out that in market societies we find stories of slaves who used the market to improve their lives, the poor who used the market to escape desperate situations, and women who used the market to attain gender equality. The book is full of examples of real people demonstrating values of courage, justice, temperance, prudence, hope, faith, and love in the market, while seeking and attaining a better life for themselves and their families. These are the stories today's youth desperately need to know because they challenge the current paradigm of widespread market blame and give a moral defense of the market. ♦

Meg Deak is currently studying Environmental Economics, Law, and Policy at The University of Guelph in Ontario. She is passionate about topics in ethics and environmental economics.



“DULL, INERT CITIES, IT IS TRUE, DO CONTAIN THE SEEDS OF THEIR OWN DESTRUCTION AND LITTLE ELSE. BUT LIVELY, DIVERSE, INTENSE CITIES CONTAIN THE SEEDS OF THEIR OWN REGENERATION, WITH ENERGY ENOUGH TO CARRY OVER FOR PROBLEMS AND NEEDS OUTSIDE THEMSELVES.

— JANE JACOBS, *THE DEATH AND LIFE OF GREAT AMERICAN CITIES*

JANE JACOBS IS FEATURED IN OUR [ESSENTIAL WOMEN OF LIBERTY SERIES](#).



ONTARIO CITIES EXPERIENCING DISMAL POPULATION AND JOB GROWTH

BEN EISEN AND STEVE LAFLEUR

In our recent study, we examined rates of job creation in large cities across Ontario between 2008 and 2019 and found that Toronto and the surrounding urban areas all experienced substantial job growth during this period. We also found that job growth in Ottawa was significantly above the national average.

Meanwhile, job creation was weaker in Ontario's major cities outside the GTA and surrounding area (excluding Ottawa). Windsor, Kingston, Sudbury, London, St. Catharines-Niagara, Thunder Bay and Peterborough all experienced a rate of job creation below the national average from 2008 to 2019. Meanwhile, job creation rates were even weaker in smaller towns and

rural areas across the province. In fact, taken together, these geographical areas saw a 9.7 per cent decline in total employment from 2008 to 2019.

The different rates of job creation correlate with several important economic metrics including the rate of population growth or decline. The chart below illustrates the close connection between employment growth and population change.

Considering these two indicators together is useful for understanding economic developments in Ontario over the last decade. The chart also reveals the stark difference in economic performance across

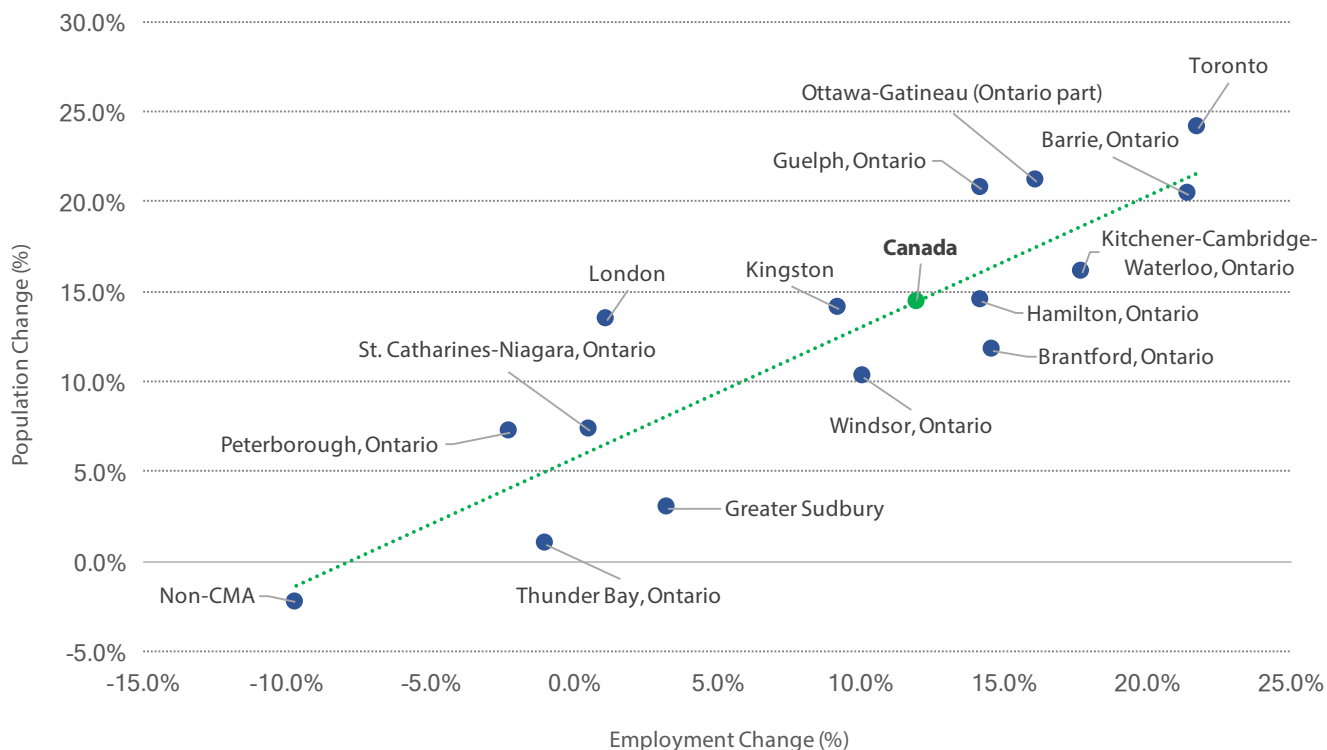


Figure 2: Population and Employment Change, 2008-19

the province. It shows all 14 of Ontario's large cities and the rest of the province's towns and rural areas grouped together in one "non-CMA" data point.

This helps illustrate the gap in economic performance between the Greater Toronto Area and surrounding cities plus Ottawa on the one hand, and the rest of the province on the other. A cluster of cities grouped in the top right corner of the chart has experienced population and job creation rates generally above the national average. A second cluster in the bottom left corner has experienced little or negative growth in both indicators during the time period.

The data here show a clear split. Ontarians living in or near the provincial and federal capitals have seen a decade of relatively high job creation rates and high population growth, while others live in areas with less dynamic activity and have seen near or complete stagnation in population and job growth.

Ontario contains many of Canada's largest cities. The province's "secondary cities" are as populous as provincial or even regional anchor cities elsewhere. London, for instance, is about as populous as Halifax. Southwestern Ontario has approximately as large a population as the Maritimes. The economic stagnation that has occurred in much of Ontario outside its two biggest cities should therefore be viewed as a national economic problem, not just a provincial one.

Despite the stagnation in many large Ontario cities, the economic challenges facing Ontarians living in them are sometimes overlooked. Toronto's commanding size makes it easy to miss the economic challenges in "secondary" but still large CMAs and in smaller towns and rural communities in non-CMA areas. This can fuel misconceptions about the different economic circumstances facing large numbers of Ontarians. Regional economic analysis in Ontario can help reduce these information gaps. ◆

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Understanding the World Trade Organization

Inu Manak

This lecture provides an overview of why we engage in trade, the different types of trade institutions, and the vital role of the World Trade Organization within the international trading system. It concludes with observations on present day challenges and opportunities for global trade. ♦

[Link to Inu Manak Recording](#)

A Better Solution for Universally Accessible Hospital Care

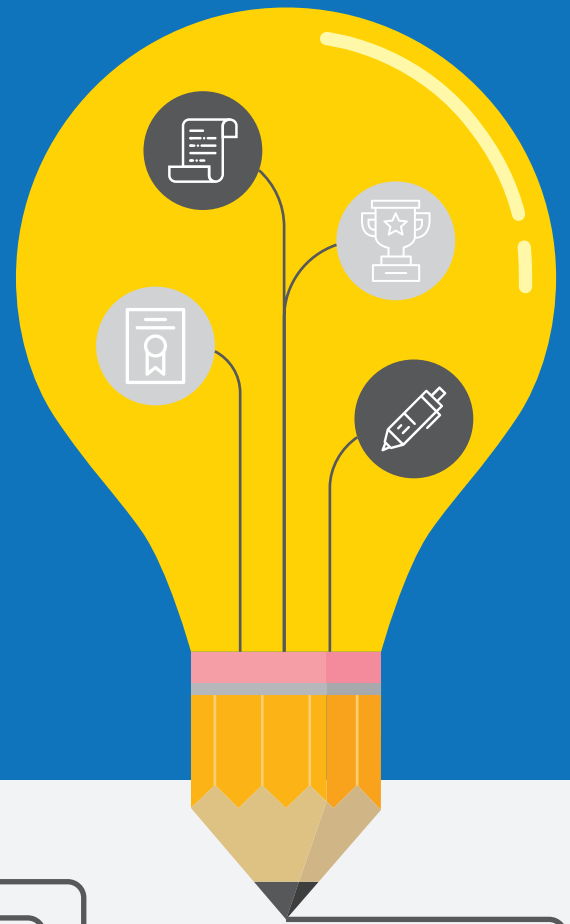
Nadeem Esmail

Paying hospitals for each patient they treat, also known as activity-based funding, instead of allocating pre-defined annual budgets could improve the quantity and quality of health care services while reducing wait times for Canadians. This presentation explains how nearly every other developed country with a universal health-care system has moved towards activity-based funding in recent decades, whereas Canada is among the last to continue to use lump sum payments. ♦

[Link to Nadeem Esmail Recording](#)



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