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Annual Report 1986

Research School of Pacific Studies,
Australian National University,
Canberra, Australia



AUSTRALIA-JAPAN RESEARCH CENTRE

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AUSTRALIA-JAPAN RESEARCH CENTRE
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Background

The Australia–Japan Research Centre (AJRC) is based in the Research School of Pacific Studies (RSPaS) at the Australian National University (ANU). It co-ordinates and supports a program of academic research on economic and policy issues arising from Australia's relations with Japan and Japan's wider role in the Asian–Pacific region. The Centre is staffed by a small number of academic researchers and provides funds and facilities for Visiting Fellows from other Australian universities and from overseas, in particular Japan. It also sponsors projects by researchers in other departments of the ANU and in other Australian universities. An important part of the Centre's work is the supervision and direction of Australian and Japanese graduate students, both non-degree graduate scholars and PhD research students. Overall guidance of the Centre's research program is provided by a Research Committee comprising senior academics from the ANU and other Australian universities under the chairmanship of Professor Stuart Harris, at present the Secretary of the Australian Department of Foreign Affairs.

The Centre maintains an active seminar and workshop schedule each year, offering assistance to Australian, Japanese and other overseas academics to prepare research papers and to attend and contribute to its meetings. It also encourages the participation of representatives of the public sector and the private business community through both its regular activities and special outside seminar program.

Publications from the Centre draw on both the research carried out by its academic staff and associated scholars and the material presented at its seminars and workshops. The Centre has a co-publication agreement with Allen & Unwin for the publication of major research monographs. The Centre also publishes approximately twelve research papers each year in its *Pacific Economic Papers* series. Through its research, publications and seminar activities, the Centre aims to provide an informed background for policymakers and for industry on factors influencing Australia–Japan trade and the relationship between the two countries as a whole.

The Centre receives regular funding from the Australian government and business communities. Financial assistance is also drawn from an endowment fund established with the support of donations from the Japanese government and private Japanese business organisations in 1981. Cooperation is maintained in both the research and publications areas with a counterpart group of Japanese research members of the Japan–Australia Research Committee, which is based at the Japan Economic Research Center in Tokyo. Other support for Centre activities comes from other funding bodies on a project by project basis.

The Centre also acts as the secretariat for the Pacific Trade and Development Conference series, the Pacific Economic Cooperation Conference Minerals and Energy Forum, and the Australian National Pacific Cooperation Committee, with the support of special grants for these purposes. As part of its various activities, the Centre maintains close liaison with the Australia–Japan Foundation, the Japan Foundation, Australian government departments and agencies and the Japanese Embassy.

The Centre is a joint manager of the International Economic Data Bank at the ANU, which provides data on the international economy, particularly the economics of East Asia and the Pacific, in support of research on international trade, financial flows and economic development. These include trade and company data for Japan.

The Centre's activities in 1986

General review

For the Centre 1986 has been a year of expansion of activities and a further elevation of research profile. Development strategy for the Centre had earlier called for the build up of the level of the endowment fund, from which the Centre derives a substantial portion of its operating expenses. With this target achieved, the groundwork had been laid by 1985 for a consolidation of Centre activities around an enlarged research program. Appointment of additional research staff during 1986 enabled the Centre to move into this new stage of its existence.

The highlight of the year was undoubtedly the move of the Centre's core operations to new premises in the J.G. Crawford Building from June. The improved working conditions and more comfortable environment are appreciated by staff and visitors alike. An associated comprehensive upgrading of the Centre's communications and word-processing facilities, with the assistance of a generous grant from the Japan Commemorative Association for the World Exposition (1970), has led already to significant improvements in productivity. Equipment purchased with the help of this grant includes telex and facsimile machines, a personal computer network and a Japanese language personal computer through which Japanese data bases can be accessed. This is expected to increase further research productivity, facilitate seminar and research exchanges and allow further extension of Centre activities into other areas. The Centre records its appreciation to the Japan Commemorative Association for its generous assistance.

To accommodate its planned level of activities, the Centre has retained its former premises. These are now used to house all of its graduate students and some special projects. While it is unfortunate that sufficient space could not be identified in the Crawford Building to locate all Centre staff, students and visitors under the one roof, the overall increase in accommodation provided by the University for the Centre has greatly facilitated the Centre's work.

The Centre was honoured to welcome the Prime Minister, Mr Hawke, when he officially opened the Crawford Building on 4 September. In his speech, Mr Hawke noted the appropriateness of locating within the Crawford Building organisations such as the Centre, which Sir John Crawford was so instrumental in establishing.

It was pleasing also to see plans come to fruition during 1986 to expand the operations of the international economic data bank, which the Centre was instrumental in establishing in 1982 along with the ASEAN-Australia Economic Relations Research Project. The International Economic Data Bank was launched during the year, under the management of the Centre and the National Centre for Development Studies, with the aim of providing a comprehensive source of data on the international economy, in particular the economies of East Asia and the Pacific, for Australian policy and research institutions. The Data Bank is developing a comprehensive and unique collection of trade and company data on Japan that will play an increasingly important role in underpinning the Centre's academic research in the years to come. At the same time the Centre hopes that the service will be of use to the private and public sectors in complementing other data facilities.

The Centre has, since its establishment, put a high priority on the creation of

cooperative links with individual researchers and institutions both within Australia and overseas. During 1986 some existing links were renewed, particularly with the Japan-Australia Research Committee, the Centre's Japanese counterpart, which underwent reorganisation. New links were forged with other institutions, both within Japan and also, significantly, in the People's Republic of China, whose influence on the future shape of the Australia-Japan economic relationship continues to grow in importance. It is expected that these new links will yield dividends to the Centre in the years to come through joint research projects and facilitation of overseas field work by Australian researchers associated with the Centre.

During 1986 the Centre also established the J.G. Crawford Award for the best paper on Japan or Australia-Japan economic relations by a young scholar. A cash prize will be presented to the winner each year. This prize has been made possible through the donation by Sir John Crawford of his Japan Foundation special award in 1984 to the Centre with the wish that it be used to further the study of Japan and Australia-Japan relations. The new award, which was established in consultation with Lady Crawford, is a fitting and lasting tribute to Sir John, and it is hoped that it will provide inspiration to new generations of scholars to pursue work on Japan.

With the expansion in research staff and responsibilities for the maintenance of two premises, the Centre is now operating at the highest level possible under current funding arrangements. Substantial costs were incurred in furnishing and equipping the Centre's new premises, despite funding support from Japan, and these costs imposed a further strain upon the Centre's financial situation in 1986. Careful husbanding of the Centre's finances is an important priority. Steps have been taken during the year to strengthen the management of the Endowment Fund and the investment decision making structure. Constraining expenditure to within the limits imposed by investment income will be a challenging task in the future. Special efforts will be required to boost the level of supplementary funding. Grants from funding bodies around specific projects will be important in this regard. In 1986 the Centre's research program was assisted by grants from the Japan Foundation, the Australian Wool Corporation, the Australia-Japan Foundation and the Department of Foreign Affairs.

Research program

Australia-Japan economic and trade relations continue to be the principal areas of interest in the Centre's research program. Broader aspects of the relationship with important implications for policy management are also a major focus. The emphasis continues on the bilateral relationship and on factors in the Japanese domestic political and economic environment affecting the relationship. Increasingly, however, attention is also being focused on developments in other Asian and Pacific countries whose impact on the bilateral relationship is growing as a result of regional integration and the effects on Japanese trade policy of economic adjustments in other countries.

There can be little doubt now that the structure of trade which has characterised Australia-Japan trade over the last two decades is changing; the era of continually increasing Australian exports to Japan of minerals and energy and agricultural commodities is over. Japanese industries which have been major consumers of Australian raw materials have minimal growth prospects as their international competitiveness declines.

The timing of a major new collaborative research project between the Centre and its Japanese counterpart, the Japan-Australia Research Committee, on the future of Australia-Japan relations is therefore very appropriate. This three-year project commenced in 1986 with separate reviews by the Australian and Japanese research teams of the 1976 Crawford/Okita report to the governments of Australia and Japan on Australia-Japan relations. On the Australian side the review was conducted on behalf of the Centre by Dr Bob Gregory. Representatives of the two teams gathered in Canberra in August to present their views on the report and to present progress reports on some of the individual research projects which are being carried out as an integral part of the project. It is expected that the final report, which it is hoped will inform policy making in both countries upon its completion in 1989, will draw on these individual studies in forming its conclusions. Further joint meetings to review progress are planned and the next one will be held in Japan in May 1987. A feature of the project, which is supported on the Japanese side by a large grant from the Mitsubishi Bank Foundation, is the emphasis placed on the participation by the younger generation of scholars in both countries.

Other research projects conducted by the Centre in 1986 also reflected the changing issues in the Australia-Japan economic relationship. Work continued on one of the Centre's other main areas of interest — the growing trade between Australia and Japan in a wide range of service industries. This included more work on banking and finance and an extension of research into civil aviation and tourism, which has become one of the major growth industries and which is likely to assume even greater importance in the coming year. The latter study continued to be led by Dr Christopher Findlay and Dr Peter Forsyth and culminated in a public seminar in Brisbane in August. The logical progression of this work is for more detailed research on the tourism industry. A positive result of the seminar was an expression of interest by the Commonwealth Department of Sport, Recreation and Tourism in further cooperative research, again illustrating the potential for cooperation between the Centre and government institutions. More papers on aspects of trade in services were published in the Centre's *Pacific Economic Papers* series.

Work progressed on Japan as a centre for the creation and diffusion of technology. A central interest in this work is the nature of Japanese corporate organisation and its effects on trade in technology and the innovative capacities of Japanese industry. Besides looking at ways in which Japanese firms approach technological development and trade, the work on Japanese corporate organisation has also examined the ways in which Japanese firms handle structural adjustment issues. A workshop is planned for 1987 to take this work further.

Another major project to commence in 1986 was a study of the Northeast Asian wool textile industry and trade developments. The Centre has received a grant from the Australian Wool Corporation to coordinate this project, which will examine the development of the Chinese market for wool and the transformation of the Northeast Asian textile industry, as part of a large program of research on the industrial transformation of the East Asian economies, with particular reference to the internationalisation of the Chinese economy. The project will assess the implications of the development of the wool textile industry in Northeast Asia for Australian raw material

exports. A special interest will be to analyse Japanese experience with the development of the wool textile industry. The project is expected to continue for three years and research staff are being appointed.

The implications for Australia-Japan economic and trade relations of developments in China and other Northeast Asian economies are also addressed in another project which commenced in 1986 on regional metals and minerals trade. The project will examine the trends in the international relocation of steel and aluminium production in the region, focusing on Japan, Korea, Taiwan and China. A key question is whether there is likely to be a net increase in regional import demand for these metals, or their raw material inputs, as a result of economic growth in the region. Particular attention is being paid to structural adjustment in the Japanese metals industry and prospects of growth for Australian exports of raw and processed materials through the region.

This project complements well the Centre's direction of minerals and energy related work under the auspices of the Pacific Economic Cooperation Conference. This latter work in 1986 included the coordination of research for the Pacific Minerals and Energy Forum, held in Jakarta in July. In other work associated with Pacific economic cooperation, initial preparation of a second report to the Australian Government by the National Pacific Cooperation Committee on Australia's interests in Pacific economic cooperation commenced late in 1986.

The study of agricultural policy in Japan remained an ongoing research interest for the Centre in 1986. Developments in other Northeast Asian countries' agricultural policy were also the subject of research and the results were reported to a special public seminar in Sydney in June. This work follows on from the earlier project on agricultural protectionism in Northeast Asia, but with a widened focus on developments in world agricultural trade and policies, including analysis of agricultural policy reforms in China. The Centre's support for this work over the years has undoubtedly made a substantial contribution to enhancing the argument of Australia's interests in international debate on agricultural trade policies.

Other work carried out under the Centre's guidance in 1986 related to energy supply and demand forecasting in Japan, Japanese pension funds, post-war economic diplomacy between Australia and Japan, Japanese foreign exchange markets and macroeconomic disturbances, financial deregulation in Japan, and the Australian and Japanese labour markets. An examination continued, on behalf of the Consultative Committee on Relations with Japan, the Japan Secretariat and the Australia-Japan Foundation, of the educational resources presently being devoted in Australia to training in Japanese studies, with an emphasis on business programs, and a report from the project is expected early in 1987.

Seminars and workshops

The Centre had its most active year ever in its seminar/workshop program. The program consisted of public seminars given by distinguished visitors to the Centre and the University, outside seminars for interested professional organisations and the general public, a regular graduate student workshop program and an international workshop.

Following on from the successful conduct in 1985 of outside seminars in Sydney and Melbourne on financial deregulation, the Centre organised two further seminars in 1986.

The first, on 18 June, was on 'Australia, Asia and World Agricultural Trade Policy Issues' and featured papers on agricultural policy developments in several Northeast Asian countries and implications for Australia. The Centre was pleased to be able to welcome Mr John Dawkins, Minister for Trade, as its special guest speaker at dinner. Held on the day preceding the Australian Meat and Livestock Industry Policy Council Conference, the seminar attracted a large audience of over 100 people representing various sectors and interests in the rural industry and government. A subsequent survey of participants revealed a very favourable response to the seminar. As a flow on, there are plans for some of the papers to be translated and published in Japanese and this is expected to make a helpful input into the policy debate in Japan on agricultural trade issues.

A second outside seminar was held on 1 August on 'Australia-Japan Air Route: Boost or Barrier to Trade and Tourism'. With Japanese tourism to Australia recording rapid increases in recent years and set to expand even more dramatically, the timeliness of the topic afforded the Centre an excellent opportunity to take its work out into the market place and not only help focus public and industry attention but also inform the debate on management of the Japanese tourist boom. It was also the first public occasion for the Centre in Brisbane and served to demonstrate the Centre's national role as a coordinator of policy oriented research on Japan among research institutions and also public institutions with research functions throughout Australia. Papers were presented on regulation of air services between Australia and Japan and related policy issues and the potential for Australia of the Japanese travel market. While attendance was slightly lower than had been expected, the high level of participation by all parties associated with the travel and tourism industry was most pleasing, as was the spirited debate. While further work will be carried out on air route issues, the Centre hopes to carry forward the emphasis now to issues affecting the management of Japanese tourist inflows. In this it is encouraged by the expression of interest by the Commonwealth Department of Sport, Recreation and Tourism, in the work of the Centre.

The Centre was very satisfied with the outcome of these two outside seminars and intends to make them a regular feature of its program as a very effective means of keeping its research both accessible and relevant to the public and private sectors.

In September the Centre conducted an international workshop on 'Australia, China, Japan: Issues in the Economic Relationship'. This workshop drew together major strands of several of its current projects looking at industrial and policy developments in China and examined their implications for Australia-Japan bilateral economic and trade relations. Professor Takashi Inoguchi, one of the Centre's Visiting Fellows in 1986, made a major contribution on the China-Japan relationship and other papers were presented by leading Australian, Chinese and Korean researchers. The workshop was conducted with the cooperation of the University of Adelaide and the National Centre for Development Studies under the coordination of Dr Christopher Findlay. A follow up meeting is planned for 1987.

In December the Centre conducted a briefing session for a Chinese delegation on the subject of China's accession to the GATT. Papers were presented by Dr Drysdale, Dr Christopher Findlay, Dr Kym Anderson and Mr Ben Smith. The Chinese delegation included senior officials from the Departments of International Relations, Trade Administration, Finance and Foreign Affairs.

An active and sustained public seminar program was a feature of 1986, drawing on the stream of distinguished academic visitors to the Centre and other parts of the University. Topics addressed ranged from such issues as Japanese industrial policy and structural adjustment, monetary policy, financial deregulation and Japan's current account surplus, and the links between technology and industrialisation, on the one hand, to Australia-Japan diplomatic negotiations and Japan's foreign policy, on the other. The sixteen public seminars drew very large audiences, including strong attendance from government departments and research institutions.

The regular graduate student workshop series, which commenced in 1984, was also strengthened in 1986 and has now become a successful permanent feature of the Centre's program. The series is organised for the benefit of the Centre's graduate students and students affiliated with the National Centre for Development Studies and other university departments with an interest in Japan. University staff members and visitors to the Centre also participate. Apart from presentations by the graduate students themselves, members of staff, individual researchers in other Canberra-based institutions and student visitors from other universities have also given seminars in this series, which has been beneficial in exposing graduate students to a wide range of research and providing an avenue for informal discussion and feedback on their work. The workshops were conducted weekly throughout the year and it is hoped to maintain this schedule in future.

Relations with the Japan-Australia Research Committee

Relations with the Japan-Australia Research Committee, the Centre's counterpart in Japan, were renewed and reinvigorated in 1986. Reorganisation of the Committee, planning for which took place in 1985, was formalised and implemented in April 1986 with the aim of strengthening its research base. The corporate membership system has been discontinued, and the focus of activity reoriented around specific research projects. Integration of the Committee's work as a project organised by the Japan Economic Research Center has strengthened this Japanese research base in Australia. These arrangements, together with an infusion of new research members, have given the Committee's organisation a firm base for the future and paved the way for the continuation of the long and mutually beneficial relationship which the Centre and the Committee have enjoyed.

The Centre and Committee also embarked on a major three-year joint project in 1986 to review the state of Australia-Japan relations and attempt to identify new directions for the relationship in the decade ahead. This is reported in more detail under the Research program.

The outstanding contribution which the former leader of the Committee's Economics Study Group, Professor Kiyoshi Kojima, made to the promotion of the study of Australia in Japan and to cooperation with the Centre and researchers from the University was formally acknowledged by the University in 1986 by the naming of one of the Centre's research positions in honour of Professor Kojima. The Centre was delighted that the University accorded this honour to Professor Kojima. Dr Paul Sheard, formerly a Centre graduate student, has been made the first Kiyoshi Kojima Postdoctoral Fellow.

Visitors and research exchanges

The Centre continued to be host to a large number of visitors in 1986, including Visiting Fellows and Centre visitors, as well as others interested in the Centre's work. As usual, Centre staff provided assistance in organising schedules for many of these people while in Australia, including appointments with academics in other universities and government departments and instrumentalities.

Professor Jurō Teranishi, of the Institute of Economic Research, Hitotsubashi University, arrived at the Centre in June to take a nine-month Visiting Fellowship on a grant from the Australia-Japan Foundation, working on the implications of Japan's current account surplus and Japan's international financial role. Professor Teranishi presented a public seminar for the Centre on his work in 1986 and also participated fully in the student workshop program. In August he presented a paper on 'The Internationalisation of Finance and the Current Account Surplus in Japan' to the 15th Conference of Economists at Monash University and in December, he delivered a paper on 'The Sectoral Flow of Funds in Pre-War Japan: a Reconsideration' to the Eighth International Economic Association Conference in New Delhi.

Associate Professor Takashi Inoguchi, of the Institute of Oriental Culture, University of Tokyo, and his wife, Associate Professor Kuniko Inoguchi, of the Faculty of Law, Sophia University, spent ten weeks with the Centre from July to September. Takashi Inoguchi presented a paper on the China-Japan relationship to the Centre's workshop on Australia, China and Japan. Both he and his wife participated actively in Centre programs, including the joint research meeting with the Japan-Australia Research Committee and the weekly graduate student workshops. They also participated in the courses on Japanese politics and the international political economy offered by Dr Lesbirel and offered helpful advice in the preparation of these courses. In addition to these formal occasions, separate opportunities for more informal discussions with the Centres' graduate students were created. They also participated in seminars offered in other departments in the University and held wide ranging discussions with colleagues at the University on political science, economics, international relations, psychology and sociology.

Takashi Inoguchi's visit was supported by a grant from the Japan Foundation. Kuniko Inoguchi's visit was arranged jointly with the Department of Political Science. The Inoguchis' visit was most successful and the Centre hopes that their wish to return to the University will be fulfilled before long.

Professor J.A.A. Stockwin, a former university staff member, was also a Visiting Fellow at the Centre in 1986. Formerly a Reader in Politics at the Department of Political Science and now Professor and Director of the Nissan Institute of Japanese Studies at Oxford University, Professor Stockwin spent two months with the Centre and the Department of Political Science, the Faculties, to complete research on the negotiation of the Treaty of Friendship and Cooperation between Australia and Japan in the 1970s. He also gave a public seminar for the Centre on this topic and a book is expected to be published in 1987 as a result of this research. Professor Stockwin also attended the Centre's joint meeting with the Japan-Australia Research Committee and the annual conference of the Australasian Political Studies Association in Brisbane. He gave three

lectures for Dr Lesbirel's 'Politics in Japan' course and discussed aspects of Japanese politics with postgraduate students in other departments. Professor Stockwin participated in the Japan Foundation's 'Contemporary Japanese Society' lecture series presenting a paper entitled 'Thinking About Japanese Politics'. He also addressed students taking the MA in International Relations course on Japanese foreign policy and gave an interview for radio station 2XX on Japanese politics since the recent elections.

Three more Visiting Fellows arrived late in the year. Professor Yasuo Hoshino, from Nagoya City University and currently at the University of New South Wales as an Australia-Japan Foundation Senior Fellow, arrived in December for a two-month stay to work on Japanese corporate organisation. Dr Colin McKenzie, a former Centre PhD research scholar, took up a one-month Fellowship on his return from six months in Japan as a Saionji-Hamersley Scholar at the Institute for Monetary and Economic Studies at the Bank of Japan. He continued his work on Japanese financial deregulation, financial markets and investment strategies of life insurance companies. Mr Young-il Park, of the Faculty of Economics, University of Adelaide, was engaged as a consultant to the Centre from October, and arrived late in December to spend six weeks with the Centre to work on the Centre's Northeast Asian wool textile trade study.

Dr Christopher Findlay of the Faculty of Economics, University of Adelaide, was a regular visitor to the Centre during 1986 in his capacity as consultant to the Centre. Dr Findlay was a principal organiser of the aviation conference held in Brisbane on 1 August. He co-authored a summary of the proceedings with Dr Peter Forsyth of the Public Policy Program which he presented to the Centre's joint research committee meeting with the Japan-Australia Research Committee on 28 August. He will also present this paper at the Sixteenth Pacific Trade and Development Conference in Wellington in January 1987. Dr Findlay was also on the planning committee for the Centre's workshop on issues in the Australia, Japan, China relationship where he presented a paper on 'China's Trade and Pacific Economic Growth' and co-authored 'China's Metal Industries and Pacific Trade' with Dr Kym Anderson and Ms Xiao Qin Zhang.

Dr Findlay also worked on the Centre's wool project and on its project on metals consumption and trade in Northeast Asia, spending time in China developing institutional contacts for those projects. He delivered a paper on 'Prospects for Pacific Trade and Growth: Perspectives from Australia, New Zealand and the South Pacific' to a conference on 'The Asian Pacific Economy Towards the Year 2000' in Beijing in November.

In December, he coordinated and presented a paper at a Centre briefing on developments in trade and trade policy for a Chinese delegation working on China's accession to the GATT. He is also a member of the Centre's research program planning committee and has been assisting Dr Paul Sheard convene a seminar on corporate organisation scheduled for 27 February 1987.

The Centre also assisted with the visit of Professor Kōtarō Suzumura of the Institute of Economic Research, Hitotsubashi University to the Economics Faculty and the Economics Department, Research School of Social Sciences.

Long-term exchanges with the non-academic Japanese public and private sectors were stepped up during 1986. Mr Shigeki Kondō of the Tokyo Electric Power Company

continued his research and coursework program. New arrivals in March were Mr Tadashi Saitō from the Japanese Federation of Economic Organisations (*Keidanren*) and Mr Mitsuhiro Ono from JETRO. Both have commenced coursework and are also conducting research, as part of their two-year programs. Mr Ono is the second person from JETRO to be sent to the Centre, while Mr Saitō is the first employee of the *Keidanren* to be sent to Australia for study.

Short-term visitors invited to the Centre included: Dr Tessa Morris-Suzuki, University of New England (information technology in Japan); Professor Ryōshin Minami, Institute of Economic Research, Hitotsubashi University (Japanese industrialisation and technological progress); Mr S. Maswood, graduate student, Carleton University, Canada (Japanese defence policies); Professor Ted English, Carleton University (comparative advantage in trade); Mr George Rosanski, Consultant, World Bank (computing advice for the International Economic Data Bank); Professor Yasuo Hoshino, Nagoya City University and University of New South Wales (Japanese credit associations) (Professor Hoshino returned later in the year as a Visiting Fellow, as mentioned above); Dr Jenny Corbett, Nissan Institute of Japanese Studies, Oxford University (Japanese monetary policy); a six-man delegation from the Japan-Australia Research Committee, Japan, led by Professors Ippei Yamazawa, Hitotsubashi University and Akio Watanabe, University of Tokyo (to hold a meeting with the Centre on the joint research project on Australia-Japan relations); Professor Kunio Kawamata, Keio University (tariff/welfare change links); Ms Zhang Xiaoqin, International Trade Research Institute, Beijing (iron and steel trade); Mr Xu Xuanquan, Ms Lin Bi and Ms Liou Jinning, International Trade Research Institute, Beijing (Northeast Asia trade); a six-person delegation from the Chinese Ministry of Foreign Economic Relations and Trade, led by Mr Wu Jiahuang and Mr Mu Jingxuan (Northeast Asia trade); Professor Sir Frank Holmes, Victoria University of Wellington (Pacific Trade and Development Conference planning); Professor Andrew Cooper, Waterloo University, California; Mr Toshirō Oda, graduate student, International University of Japan; Professor Hidehiro Sonoda, Japanese Ministry of Education and vice-director of the International Research Centre for Japanese Studies; and Professor R. Reimer, President, Nanzan University, Japan. The Centre assisted with coordination of schedules for many of these visitors, including visits to other universities and government departments.

The Centre was pleased to welcome Ms Kuniko Tahara, a third year undergraduate student in Economics from Osaka University, as the first student from that University under the exchange agreement which the Centre has with its Faculty of Economics. Ms Tahara, who will spend twelve months at the University, is taking a number of units in the Faculty of Economics.

The Centre received many visitors during 1986 in relation to Pacific economic cooperation activities, for which it has continued to be a focal point within Australia. Dr Drysdale, in his capacity as Chairman of the National Pacific Cooperation Committee (NPCC) of Australia and Australian member of the Pacific Economic Cooperation Conference Standing Committee, held discussions with representatives of various delegations in Canberra, including the People's Republic of China and the Soviet Union. Other visitors included newly appointed members of the NPCC, Mr John Maitland, General President of the Australian Coal and Shale Oil Employees' Federation and Mr Simon Crean, President of the ACTU.

An important visit in April was by a delegation from the Japanese Foundation for Advanced Information and Research, an organisation created recently under the auspices of the Japanese Ministry of Finance. The purpose of the visit was to explore the prospects for cooperation between the two organisations. Agreement has since been reached for the holding of a major joint conference in Australia in 1987 on the impact of Japanese financial markets and planning is now underway.

Other visitors included Mr H. Ishikawa of the Sankei Scholarship Foundation; Mr J. Phelan, Vice-President, Chase Manhattan Bank; a delegation from the Japanese Ministry of Education (to discuss Australia-Japan student exchanges); Mr John Scott-Murphy, Executive Director, H.V. Evatt Foundation; a delegation from the Kyoto Social Work Foundation (social welfare); Mr T. Ōmori, Head, Financial and Accounting Department, Japan Foundation; and Ms Kazue Iwamoto, International Division, the Toyota Foundation.

In August Dr Drysdale was interviewed by Mr Lou Kraar, Asian Editor, *Fortune* Magazine. Media contact was made with various editorial staff of all major metropolitan newspapers and Mr Ivor Reis of the *Australian Financial Review* and Mr Peter Hatcher of the Herald and Weekly Times Limited, visited the Centre for briefings before taking up positions as the Tokyo correspondent for their organisation.

The Centre was also visited by Mr Geoff Miller and Mr Ashton Calvert, prior to their taking up positions as Ambassador and Minister of the Australian Embassy, Tokyo.

Other activities

Staff, students and visitors to the Centre also took part in several other academic related activities.

The Executive Director, Dr Drysdale, continued to supervise graduate students attached to the Centre, as well as other students at the University. He again offered a course on the Japanese Economy and Economic Policy for the Faculty of Economics.

During the year, Dr Drysdale attended conferences in Japan, China, the United States, Indonesia and Canada. In March he presented papers to the Kansai Keizai Doyukai's Pacific Symposium and a FAIR Symposium on the Pacific Economy in Japan and he was invited to the 15th Williamsburg Conference in November, convened by the Asia Society of New York in Indonesia. As Chairman of the National Pacific Cooperation Committee and Australian member of the Pacific Economic Cooperation Conference Standing Committee, he attended the Minerals and Energy Forum in Jakarta in July and the Fifth Pacific Economic Cooperation Conference in Vancouver in November.

In March-April, Dr Drysdale gave lectures on the 'Pacific Economy and International Trade Diplomacy', 'Pacific Economic Cooperation' and 'Australia's International Trade Policy' to the Shanghai Institute of International Trade, the Shanghai Centre for International Studies, and to two research institutes of the Chinese Academy of Social Sciences in Beijing.

While in Japan in July, Dr Drysdale met with leaders of Japanese business, the Japan Foundation and the Ministry of Foreign Affairs at a special breakfast meeting in a renewal of the practice established by Sir John Crawford of regularly briefing the Centre's Japanese financial supporters on Centre developments. This meeting was assisted by the Australian Embassy in Tokyo.

Dr Drysdale continued to serve on *Time* magazine's Pacific Board of Economists and in July attended a joint meeting of all the magazine's Boards of Economists in New York. A review of world economic developments and a report of the meeting appeared in a subsequent issue of *Time*. He also continued his membership of the ASEAN-Australia Economic Relations Research Project Steering Committee and remained coordinator of the Pacific Trade and Development Conference series. In this latter capacity, he assisted in planning for the next Conference in the series, to be held in Wellington in January 1987 on the theme of Pacific trade in services.

Dr Drysdale chaired four meetings of the National Pacific Cooperation Committee during 1986. Early in the year, the Committee was reconstituted, following completion of the responsibilities entrusted to it by the Australian Government. The Committee's report, *Australia and Pacific Economic Cooperation*, was tabled in Parliament in March. Dr Drysdale accepted an invitation from the Minister for Foreign Affairs to continue as Chairman of the new Committee. Late in the year he commenced preparation of the Committee's next report to the Australian Government on Australian interests in Pacific economic cooperation, due to be presented in early 1987.

Dr Drysdale participated in training programs run by the Department of Foreign Affairs and the Department of Industry, Technology and Commerce for their employees. Other involvement in official activities was through briefing the Consultative Committee on Relations with Japan on the Centre's work on training for young Australians in doing business with Japan.

During the year Dr Drysdale was a member of the Saionji/Hamersley and Australia-Japan Business Cooperation Committee Scholarship selection committees and the University's Korean Studies Committee and also joined the editorial board of the new *Journal of Asian Pacific Economic Literature*. Dr Drysdale was also invited to join the editorial boards of *Economics Today* (a Japanese-language economic policy journal) and the new North American *Journal of Japanese and International Economic Studies*. He was also a program adviser for the 15th Conference of Economists. In November, he was invited to serve on a distinguished panel of International Advisers to the Asia-Pacific Foundation of Canada.

Within Australia Dr Drysdale gave presentations on 'The Vitality of the Pacific Economy' to a meeting of the Board of Directors of the Chase Manhattan Bank in Melbourne in June; on 'The Western Pacific and International Trade Diplomacy' to the joint research meeting between the Centre and the Japan-Australia Research Committee in Canberra in August; and on 'The Impact of the Oil Price Fall on the Western Pacific Economy' to students at Griffith University. He co-authored a paper with Drs Christopher Findlay and Kym Anderson for the Centre's Australia-Japan-China Workshop. Dr Drysdale delivered a paper entitled 'Economic Prospects in Japan and the Implications for Australia' in the Japan Foundation's 'Contemporary Japanese Society' lecture series. He was also invited to prepare papers on 'Australia and the Pacific Economy' for *The Economic Record*; on 'Japan's Trade Diplomacy: A View from the Western Pacific' for the Japanese journal *Economics Today*; and on 'Pacific Trade Diplomacy' to another Japanese journal *Look Japan*.

Throughout the year, Dr Drysdale provided assistance to the organisers of the Pacrim 86 Conference, which was held in Perth in November.

Dr Sheard published two papers on Japanese corporate organisation during 1986, based on his PhD work. He also gave two public seminars for the Centre and assumed responsibility in April for organising the Centre's public seminar and graduate student workshop program. He was invited to prepare a paper on the Japanese main-bank system for *Shōken Keizai*, the journal of the Osaka division of the Japan Securities Research Institute. In August Dr Sheard delivered a paper on 'The Main-Bank System and the Market for Corporate Control in Japan' to the 15th Conference of Economists at Monash University. He gave lectures and tutorials in Dr Drysdale's Japanese Economy and Economic Policy course on industrial organisation and long-term contracts and contributed an article on Japanese structural adjustment for the *Australian Financial Review's* special supplement on Japan in October.

During the year Dr Sheard assisted in preparations for the seventh Biennial Conference of the Asian Studies Association of Australia to be held in Canberra in February 1988 and together with Dr Findlay began organising a workshop on Japanese corporate organisation, technology transfer and services trades to be held in February 1987.

Dr Lesbirel spent a month in Japan at the Institute of Energy Economics on fieldwork researching the politics of Japanese energy policy-making and was invited to present a lecture on power plant siting problems in Japan to a lecture series organised by the Ministry of International Trade and Industry and the Japan Siting Centre. His earlier paper on power plant leadtimes published in *Pacific Economic Papers* was accepted for translation in *Enerugii Keizai*, the journal of the Institute of Energy Economics and he published a paper on project delay in Japan for the Centre's *Pacific Economic Papers* series.

Dr Lesbirel provided commentary to a panel discussion on 'North East Asian Security Issues' held at the Joint Services Staff College, and delivered a paper on the responsiveness of Japanese energy distribution policy to lower oil prices to the joint JARC/AJRC research committee meeting. During the year, he was also engaged in preparing for and teaching undergraduate and honours courses on 'Politics in Japan' and 'International Political Economy' in the Department of Political Science, The Faculties. Dr Lesbirel presented lectures to Dr George's 'Politics of Japan' course at the Australian Defense Force Academy on the role of government in the Japanese economy and the Australia-Japan relationship.

Upon completion of his PhD, Dr Colin Mckenzie spent six months in Japan on a Saionji-Hamersley Scholarship attached to the Bank of Japan. Besides engaging in research on Japanese life insurance companies, he gave a number of presentations, including: three seminars to the Bank of Japan on 'Issues in Foreign Exchange Policy in Japan', 'Specification Testing in Econometric Models' and 'Stable Shareholdings, Customer Relations and Japanese Life Insurance Companies'; 'The Impact of Financial Deregulation in Japan and Australia on Australia-Japan Financial Ties' to the Japan-Australia Research Committee; and lectures on the Japanese financial system and fiscal and monetary policy to American university students studying in Japan under the sponsorship of the Co-operative Japanese Business and Society Program. He also attended the annual conference of the Japan Association of Economists and Econometricians in Nagoya as well as preparing a book review for the *Australian Outlook* and

drafting a tentative program for the conference which the Centre and the Japanese Institute of Fiscal and Monetary Studies will hold in 1987 on the impact of developments in Japan's financial markets on other Western Pacific economies. One paper co-authored by Dr McKenzie was presented to the 1986 Australasian Meeting of the Econometric Society in Melbourne and two papers he co-authored were presented to the European Meeting of the Econometric Society in Budapest. Dr McKenzie also represented the Centre at the opening of the Australian Studies Centre at Nagoya University.

Mr Ross Westcott, as Executive Officer of the Secretariat servicing the National Pacific Cooperation Committee, attended a meeting of the Pacific Economic Cooperation Committee in San Francisco in August. He also assisted in the planning of the 16th Pacific Trade and Development Conference to be held in Wellington in January 1987 and was a member of the University's Forum on the Automation of Asian Scripts.

Mr Richardson was responsible for organising the Pacific Minerals and Energy Forum in Jakarta and visited East Asia, North America and the South Pacific to engage high-level participation in that meeting.

Publications

This year saw a further strengthening of the Centre's publications program building on the initiatives taken in 1985. The Centre's joint-publishing agreement with Allen & Unwin has proved highly successful and further steps have been taken to make Centre publications more widely available overseas.

The Centre published twelve papers in the *Pacific Economic Papers* series taking the number of papers in the series to 142.

Four volumes were published with Allen & Unwin this year. They were *Pacific Growth and Financial Interdependence* by Augustine Tan and Basant Kapur, *Coming to Terms: The Politics of Australia's Trade with Japan, 1945-57* by Alan Rix, *The Political Economy of Agricultural Protection: The Experience of East Asia* by Kym Anderson and Yujiro Hayami and *Industrial Policies for Pacific Economic Growth* by Hiromichi Muto *et al.* This year saw a sustained growth in sales with most volumes selling about 1,000 copies within six months of release. Next year promises to be even more productive with five volumes scheduled for publication including *The Economics of International Pluralism* by Peter Drysdale, *Pacific Trade in Services* (proceedings of the Sixteenth PAFTAD) and a translation of *Gendai kokusai kin'yūron 'Rekishi/Seisaku hen'* (Contemporary International Finance: History and Policy) by Ryūtarō Komiya and Miyako Suda.

Throughout 1986, the Centre concentrated on developing overseas markets, particularly those in the United States and Japan. In the United States, the Centre concluded a co-publishing agreement with Columbia University Press for *International Economic Pluralism: Economic Policy in Asia and the Pacific* by Peter Drysdale. Columbia has also expressed interest in obtaining co-publishing rights for future books from the Centre. Another Centre publication, *Pacific Growth and Financial Interdependence* by Augustine Tan and Basant Kapur was set as a textbook at Harvard University further illustrating the keen interest that exists in the United States in the Centre's publications.

The Centre's arrangement with Kinokuniya Book Stores in Japan whereby Centre publications can be purchased by mail order has been quite successful and has indicated

that a much larger potential market for the Centre's books exists in that country. Contact has already been made with several Japanese publishing houses with a view to translating and distributing the Centre's books more widely in Japan, and an agreement is expected in 1987.

The Centre sought to make its work more widely known in 1986. It distributed over 1,800 brochures and fliers in March and October. The Centre also circulated advertising material at several major conferences including Pacrim 86 in Perth, 'Australia-Japan Financial Developments' organised by the University of New South Wales in Sydney and 'Improving Our Export Performance' organised by the Economic Society of Australia in Melbourne. This was an inexpensive and highly effective form of advertising and one which will be further developed in 1987.

The Centre placed advertisements in the *Australian Financial Review's* 'Japan Survey' in October and a review of *Coming to Terms* was carried in *Golden Wing*, Ansett's in-flight magazine in September. Reviews of several other volumes in the series have been initiated and will be published in 1987.

As the Secretariat for the Pacific Trade and Development Conference (PAFTAD), the Centre produced the second PAFTAD Newsletter in March. The newsletter paid tribute to Professor Kiyoshi Kojima's work as founder of the PAFTAD Conference series and chairman of its International Steering Committee from 1968 to 1983. The newsletter reported on the Fifteenth PAFTAD Conference held in Tokyo on 26-29 August 1985 and presented a tentative conference program for PAFTAD 16 to be held in Wellington, New Zealand on 25-29 January 1987.

The Centre is currently preparing the inaugural issue of its own newsletter which is scheduled for distribution in early 1987. The aim of the newsletter is to publicise upcoming research programs and activities at the Centre. It will be distributed bi-annually to almost 2,000 individuals and institutions on the Centre's regular mailing list. The first issue will report on the opening of the Centre's new offices in the J.G. Crawford Building by the Rt. Hon. R.J. Hawke on 4 September this year. It will also detail the Centre's publication and seminar programmes for 1987.

Research Committee

The Centre's advisory body, the Research Committee, met four times in 1986 under the chairmanship of Professor Harris. Professor Crawcour submitted his resignation in August following his retirement and his moving to Victoria. Arrangements were made late in the year for new appointments to the Committee to take effect in 1987.

The Centre was delighted at the conferring by the Japanese Government of the Third Class of the Order of the Rising Sun on Professor Crawcour, a fitting tribute to his long and outstanding contribution to Japanese studies.

The Research Committee also served as the selection committee for the Sanwa Bank Foundation Fellowship offered to the University by the Foundation and will also administer the annual J.G. Crawford Award to be offered from 1986 by the Centre for the best paper by a young scholar on some aspect of Japan or Australia-Japan relations.

Staffing

Several research positions were created in 1986 as part of the Centre's expansion of activities. In February Dr Hayden Lesbirel took up the newly created position of Research Fellow/Lecturer created jointly by the Centre and the Department of Political Science, The Faculties. In April Dr Paul Sheard took up a postdoctoral fellowship with the Centre after completion of his PhD and in August this position was designated as the Centre's first Kiyoshi Kojima Postdoctoral Fellowship. A further postdoctoral fellowship was advertised late in the year and an appointment was expected to be made early in 1987 in connection with the Northeast Asian woollen textile trade project. Mr Yōichirō Higuchi took up a temporary research assistantship pending formal completion of his PhD with the Department of Economics, RSPacS and Mr Young-il Park was appointed as consultant, both appointments being in relation to this project.

Mr John Richardson concluded his secondment to the Centre as Director of the Pacific Economic Cooperation Conference Minerals and Energy Forum Secretariat in November and returned to the Department of Trade. A replacement secondee from the Department of Trade, Mr Neil Smith, took up his position in December.

Mr Ross Westcott's secondment from the Public Service as the Centre's Executive Officer also came to a close in December, when he joined the Japan Secretariat, Department of Foreign Affairs. His position was advertised nationally, with an appointment expected early in 1987.

A new publications team was appointed during the year following the resignations of Research Assistants Mr John McBride and Mrs Janet Healey and Publications Secretary Ms Bev Wagner. Mr McBride resigned in June to take up a Visiting Fellowship at the Japan Management and Economic Studies Centre, University of New South Wales, Mrs Healey moved to Sydney in September, while Ms Wagner returned to Canada. Their respective replacements were Mr Frank Foley, formerly of the Hitachi Australia Project Office, Mr Gary Anson, who has just completed an honours degree in Asian Studies at the University, and Mrs Barbara Geary, formerly with the Casual Staff of the University.

Research Committee

Professor Stuart Harris (Chairman)

Secretary

Department of Foreign Affairs

Canberra

Dr Peter Drysdale (Executive Director)

Australia-Japan Research Centre

RSPacS, ANU

Professor R. Gerard Ward

Director

RSPacS, ANU

Professor H.W. Arndt

ASEAN-Australia Joint Research Project

RSPacS, ANU

Professor W.M. Corden

Department of Economics

RSPacS, ANU

Dr E.S. Crawcour (until August 1986)

Formerly Professorial Fellow

Department of Far Eastern History

RSPacS, ANU

Dr Aurelia George

Department of Politics

University College

University of New South Wales

Australian Defence Forces Academy

Northcott Drive ACT 2600

Professor Keith Hancock

Vice-Chancellor

Flinders University

Bedford Park SA 5042

Professor Helen Hughes

Director

National Centre for Development Studies

RSPacS, ANU

Professor D. Lamberton

Department of Economics

University of Queensland

St Lucia Qld 4067

Professor Peter Lloyd

Department of Economics

University of Melbourne

Parkville Vic 3052
Professor John Nevile
Director
Centre for Applied Economic Research
University of New South Wales
PO Box 1
Kensington NSW 2033

Professor Alan Rix
Department of Japanese and Chinese Studies
University of Queensland
St Lucia Qld 4067

Mr Ben Smith
Department of Economics
The Faculties, ANU

Staff

Professorial Fellow and Executive Director

P.D. Drysdale, BA (NE), PhD

Research Fellow

S.H. Lesbirel, BA (Griffith), PhD

Kiyoshi Kojima Postdoctoral Fellow

P.J. Sheard, BA (Monash), PhD (from April)

Visiting Fellows

Professor Y. Hoshino, Nagoya City University, Japan

Associate Professor K. Inoguchi, Sophia University, Japan, (Joint appointment with Department of Political Science, The Faculties)

Associate Professor T. Inoguchi, University of Tokyo, Japan

Mr S. Kondō, Tokyo Electric Power Company, Japan

Dr C. McKenzie, Australian National University

Mr M. Ono, JETRO, Japan

Mr Young-il Park, University of Adelaide

Professor J.A.A. Stockwin, Oxford University, (Joint appointment with Department of Political Science, The Faculties)

Professor J. Teranishi, Hitotsubashi University, Japan

Administrative Officers

J.H.W. Richardson, BA, Co-ordinator, PECC Forum on Minerals and Energy (until November)

N.R. Smith, BA, (UWA) (from December)

K.R. Westcott, BA (Asian Studies), LLM (Nagoya), Executive Officer (until December)

Programmer

P. Phillips, BSc (Adel) (joint appointment with Australia-ASEAN Economic Relations Research Project)

Research Assistants

G.R. Anson, BA (Asian Studies) (from October)

C.J. Boyles, BEc, BA (Asian Studies), MA (Osaka)

T.F. Foley, BA (Griffith) (from September)

J. Healey, BA (until October)

D. Hughes, BEc (part-time)

J.G. McBride, BA (Tokyo Univ. of Foreign Languages), MA (until July)

Y. Higuchi, M. Eng. (Soc. Eng.) (Tokyo Institute of Technology) (from March)

Clerical Staff

H.L. Smith

H. Petryk

Secretarial Staff

B.M. Geary (from June)

K.L. Ngo

M. Reis (part-time)

B. Wagner (until June)

PhD Research Scholars and thesis topics

T. AKANEYA

Japan's Commercial Diplomacy and the Problem of Japan's Accession to the GATT Regime

J. AU YEONG (jointly with Department of Economics, The Faculties)

Financing Japanese Foreign Investment in Asia

P. BRENTON

The Information Technology Industry in Japan

T. FUKUSHIMA

The Making of the Commerce Agreement of 1957: Postwar Development of Australia-Japan Trade Relations

J. JORDAN

The Structure of Economic Mechanisms Used for Importing Technology to Japan

M. KAMADA

Private Economic Diplomacy in Australia-Japan Relations: The Role of Business Cooperation Committees

A. KAWAGUCHI

Australian and Japanese Labour Markets: A Comparative Study

C.R. McKENZIE* (jointly with Department of Statistics, The Faculties)

Issues in Foreign Exchange Policy in Japan: Sterilized Intervention, Currency Substitution and Financial Liberalisation

H. MATSUSHIGE

Internalisation of the Labour Market in the Australian Motor Industry

B.L. MILLER (jointly with Department of Economics, The Faculties)

The Political Economy of Japan's Commercial Policy

P. SHEARD**

Corporate Organisation and Structural Adjustment in Japan

L.T. WOODS

The Politics of Economic Cooperation: Trade Policy Coordination in the Pacific Community (jointly with Department of International Relations, Research School of Pacific Studies)

* Admitted to the degree, October 1986

** Degree conferred September 1986

Other graduate students and research topics

S. KONDO

Australia-Japan Uranium Trade

M. ONO

Prospects for Export of Australian Manufactured Goods to Japan

T. SAITŌ

Current Political and Economic Relations between Australia and China

Publications of staff and students

BOYLES, C.

'Extensions to mandatory retirement ages in Japan', *Osaka Economic Papers* 35 (4) pp.318-35.

DRYSDALE, P.D.

(with B. Smith, K. Anderson and C. Findlay), 'Australia and the Pacific economy', *Economic Record*, 62 (176) (March 1986), pp.60-6.

'Crawford and the relationship with Japan: despite the vicissitudes', *Pacific Economic Papers*, No.133, Australia-Japan Research Centre, RSPacS, ANU, Canberra, (March 1986), 32p.

'The Pacific Basin and its economic vitality' in James Morley (ed.), *US Annals of Political Science*, Academy of Political Sciences, New York, 36 (1), pp.11-22.

'Osutoraria kara mita Nihon no "raibei izon shōkōgun"' ('Japan's dependence on the United States: an Australian perspective'. A translation of an English manuscript 'Japan's trade diplomacy: a view from the Western Pacific'), *Economics Today*, 1 (Spring 1986), pp.96-102.

FINDLAY, C.C.

(with P. Drysdale, B. Smith, K. Anderson), 'Australia and the Pacific economy', *Economic Record* 62 (176) (March 1986), pp.60-6.

(with R. Garnaut, (eds))

The Political Economy of Manufacturing Sector Protection: Experiences of ASEAN and Australia, Allen and Unwin, Sydney, 229p.

The Flying Kangaroo: An Endangered Species? (An Economic Evaluation of Australia's International Civil Aviation Policy), Allen and Unwin, Sydney, 121p.

'Financial resources for development: debt versus equity', in *Removing Constraints to Economic and Social Development*, 31st Consultative Committee of the Colombo Plan, NCDS, ANU

'Optimal taxation of international income flows', *Economic Record*, 62 (177) (April 1986), pp.208-14.

HUGHES, D.L.

(with J. Jordan, F. McCall, H. Muto, S. Sekiguchi, K. Suzumura and I. Yamazawa) 'Summary of chapters and discussion', in H. Muto *et al* (eds), *Industrial Policies for Pacific Economic Growth*, Allen & Unwin, Sydney, pp.285-312.

INOBUCHI, T.

'Endaka senkyo no teiryū' (Undercurrents of the high-yen election), *Economics Today* 2, (Summer 1986), pp.152-55.

'Seiji no yosoku' (Prediction in politics) in S. Kenjiro (ed.), *Yosoku* (Prediction), Asahi Shuppansha, Tokyo, pp.73-108.

'Sekai seiji keizai chitsujo no hendō sōbasei' (Global politico-economic order and the floating exchange-rate system), in T. Ryutaro (ed.), *21 seiki no nihon keizai to kigyō* (The Japanese economy and firms towards the 21st century), Tōyō Keizai Shimposha, Tokyo, pp.21-42.

'Trade, technology and security: implications for East Asia and the West' in Robert O'Neill (ed.), *East Asia, the West and International Security: Prospects for Peace*, Macmillan, London.

JORDAN, J.

(with F. McCall, D. Hughes, H. Muto, S. Sekiguchi, K. Suzumura and I. Yamazawa), 'Summary of chapters and discussion', in H. Muto *et al* (eds), *Industrial Policies for Pacific Economic Growth*, Allen and Unwin, Sydney, pp.285-312.

LESBIREL, H.

* 'Nihon ni okeru hatsudensho no riidotaimu' (Energy power plant leadtime in Japan) *Enerugii Keizai* (The Journal of Energy Economics), 12 (11) (December 1985), pp.120-37. (Translation of *Pacific Economic Paper* No.118, Australia-Japan Research Centre, Research School of Pacific Studies, ANU, Canberra, 37p.)

'Evaluating project delay: power plant siting in Japan', *Pacific Economic Papers* 142, Australia-Japan Research Centre, Research School of Pacific Studies, ANU, Canberra, December 1986, 51p.

McKENZIE, C.R.

(with A.K. Bera) 'Alternative forms and properties of the score test' *Journal of Applied Statistics* 13, pp.13-25.

(with A.K. Bera) 'Tests for normality with stable alternatives', *Journal of Statistical Computation and Simulation* 25, pp.37-52.

(with L.G. Godfrey and M. McAleer) 'Variable addition and lagrange multiplier tests for linear and logarithmic regression models: theory and Monte Carlo evidence', *Working Papers in Economics and Econometrics* No.136, Faculty of Economics, ANU, Canberra, 28p.

MATSUSHIGE, H.

'The diffusion of new technology and the role of the reallocative ability of entrepreneurs: the case of oxygen converters in the Japanese iron and steel industry', *Osaka Economic Papers*, 35 (4) (March 1986), pp.336-50.

SHEARD, P.

'General trading companies and structural adjustment in Japan', *Pacific Economic Papers* No.132, Australia-Japan Research Centre, Research School of Pacific Studies, ANU, Canberra, (February 1986), 55p.

'Intercorporate shareholdings and structural adjustment in Japan', *Pacific Economic Papers* No.140, Australia-Japan Research Centre, Research School of Pacific Studies, ANU, Canberra, (October, 1986), 60p.

'Main banks and internal capital markets in Japan', *Shōken Keizai* 157, 255-85.

'Policy of adjustment, not protection', *Australian Financial Review*, 27 October 1986, p.29s.

STOCKWIN, J.A.A.

'The Japan Socialist Party: A politics of permanent opposition', in Ronald J. Hrebennar (ed.), *The Japanese Party System: From One-Party Rule to Coalition Government*, Westview Press, Boulder and London, 1986.

TERANISHI, J.

'Keiei shūshi kuroji mondai o kangaeru' (Japan's current account surplus problem), *Sekai Keizai Hyōron*, 30 (9) (September 1986), pp.8-17.

'Shihon yushutsukokuka, ginkō no kokuoka oyobi kyatchi appu' (The emergence of Japan as a capital exporter, the internationalisation of banks and Japan's economic 'catch-up'), *Keizai Kenkyū*, 37 (3) (July 1986), pp.258-75.

* Previously unreported.

Seminars and workshops

Centre seminars

- T. Akancya, 'Japan-Australia Relations: The Declining American Hegemony', 20 January 1986
- L. Woods, 'Conceptualising Pacific Economic Cooperation', 28 January 1986
- C. McKenzie, 'The Portfolio Behaviour of Companies which Handle Long-Term Savings in Japan', 3 February 1986
- Peng Zhaoyang, 'A Strategy for Entry into China's Non-ferrous Metals Market', 10 February 1986
- B. Chapman, 'The Accord', 17 February 1986
- J. Jordan, 'An Analysis of Mechanisms Used for Importing Technology Into Japan', 24 February 1986
- T. Fukushima, 'Japan's Early Post-war Trade with the Sterling Area', 3 March 1986
- H. Matsushige, 'Labour Management Practices in Ford Australia', 10 March 1986
- H. Lesbirel, 'The Siting of the Ashihama Nuclear Plant' 18 March 1986
- H. Lesbirel, 'Bureaucratic and Commercial Competition for Resources: the Energy Forecasting Process in Japan', 24 March 1986
- Y. Ueshima, 'Theories of Wage Profile Determination', 1 April 1986
- A. George, 'The Politics of Defence Spending in Japan', 22 April 1986
- S. Maswood, 'Japan's Defence Policy' 29 April 1986
- M. Kamada, 'An Historical Examination of AJBCC and JABCC', 5 May 1986
- D. Gunasekera, 'Intra-industry Trade in Newly Industrialising Countries', 19 May 1986
- C. Boyles, 'Biotechnology Industries in Japan and Australia' 26 May 1986
- J. McBride, 'A Comparison of Australian International and Domestic Cultural and Information Activities', 2 June 1986
- N. King, 'Japanese Land Management Policy', 3 June 1986
- H. Lesbirel, 'The Energy Forecasting Process in Japan: Post-fieldwork Report', 10 June 1986
- H. Matsushige, 'Internal Labour Markets in the Australian Motor Vehicle Industry', 16 June 1986
- Lam Peng Er, 'Japan Socialist Party and Defence Policy in the Eighties' 17 June 1986
- M. Kamada, 'Historical Background to the Establishment of Australia-Japan Business Cooperation Committees', 23 June 1986
- B. Chapman and J. Beggs, 'Immigrant Adjustment Processes in Australia', 30 June 1986
- T. Fukushima, 'Negotiation of the 1957 Australia-Japan Agreement on Commerce', 7 July 1986

- T. Akancya, 'The Problem of Most-Favoured-Nation Treatment Towards Japan During the Occupation Period', 28 July 1986
- K. Zagorski, 'Socio-economic Achievement in Australian and Japanese Segmented Economies', 11 August 1986
- P. Brenton, 'The Japanese Computer Industry: a Thesis Proposal', 25 August 1986
- A. Kawaguchi, 'The Relationship Between Output Growth and Unemployment: a Survey', 1 September 1986
- P. Keal, 'Japan's Strategic Role in the Pacific', 8 September 1986
- L. Woods, 'The Pacific Basin Economic Council as a Transnational Actor', 7 October 1986
- H. Matsushige, 'A Survey of Internal Labour Markets and Estimation Methods', 20 October 1986
- E. Katahara, 'The Politics of Japanese Defence Policy-Making', 27 October 1986
- T. Akancya, 'Safeguard Issues Surrounding Japan's Entry to the GATT', 3 November 1986
- M. Abe, 'Japan's Medical Care System', 10 November 1986
- F. Foley, 'Australian Perceptions of Japan: the Role of Academics', 17 November 1986
- T. Saitō, 'Gorbachev's Vladivostok Speech and Japan-Soviet Economic Relations', 24 November 1986
- M. Kamada, 'Japan's Private Economic Diplomacy: the Role of Bilateral Business Committees', 1 December 1986
- P. Brenton, 'Research and Development Expenditures by Japanese Firms', 8 December 1986
- S. Kondō, 'The Demand for Electricity in Japan: an Econometric Analysis', 16 December 1986

Public seminars

- T. Morris-Suzuki, 'Information, Technology and the Quality of Work in Japan', 4 March 1986
- D. Edgington, 'Japanese Business Companies in Australia', 7 April 1986
- R. Minami, 'Industrialisation and Technological Progress: Japanese Experience', 14 April 1986
- H. Edward English, 'Dynamic Comparative Advantage: the Elusive Link Between Trade and Industrial Policies', 21 April 1986
- P. Drysdale, 'East Asia and Australian Trade Diplomacy', 28 April 1986
- P. Sheard, 'Corporate Organisation and Structural Adjustment in Japan', 12 May 1986
- Liu Guo Guang, 'The Reform of China's Economic Structure and its Future', 20 May 1986 (jointly with National Centre for Development Studies)
- P. Sheard, 'Corporate Organisation and Adjustment in Japan's Aluminium Smelting Industry', 14 July 1986

- Y. Hoshino, 'An Analysis of Mergers among Credit Associations in Japan', 21 July 1986
- J.A.A. Stockwin, 'Negotiating the Basic Treaty between Australia and Japan, 1973-76', 4 August 1986 (jointly with Political Science, Faculty of Arts)
- J. Corbett, 'Monetary Policy with Regulated Interest Rates: Japan in the 1960s and 1970s', 29 August 1986
- K. Kawamata, 'Measurement of Welfare Changes with Applications to the Theory of Protective Tariffs', 2 September 1986 (jointly with Economics, RSPaCS)
- T. Inoguchi, 'Technology, Security and Trade: an Emerging Nexus in East Asia', 15 September 1986
- K. Inoguchi, 'Nakasone, Japan's Foreign Policy and Pacific Cooperation', 22 September 1986 (jointly with Political Science, Faculty of Arts)
- J. Teranishi, 'The Internationalisation of Finance and the Current Account Surplus in Japan', 29 September 1986
- K. Suzumura, 'Industrial Policy in Japan: Overview and Evaluation', 13 October 1986

Outside seminars

Australia, Asia and World Agricultural Trade Policy Issues (held in Sydney, 18 June 1986)

Papers presented were:

John Freebairn, 'Northeast Asian Agricultural Policy: Australian Interests'

Panelists: Dr Bruce Standen, Australian Meat and Livestock Corporation; Dr Gary Bond, NSW Livestock and Grain Producers Association

Aurelia George, 'The Politics of Japanese Beef Trade: Current Issues'

Panelists: Dr Francis Teal, BAE; Mr Ian Jarratt, Qld. Dept of Primary Industries

Kym Anderson and Rodney Tyers, 'Agricultural Policies in Industrial Countries: the Implications for Australia and New Zealand'

Panelists: Dr Andy Stoeckel, BAE; Mr Geoffrey Edwards, Latrobe University

Alistair Watson, 'Chinese Policy Reforms and Implications for Australian Agriculture'

Panelists: Dr Andrew Watson, Adelaide University; Dr Vince FitzGerald, Department of Trade

Dinner Guest Speaker: Mr John Dawkins, Minister for Trade

Australia-Japan Air Route: Boost or Barrier to Trade and Tourism (held in Brisbane, 1 August 1986)

Papers presented were:

Christopher Findlay, 'Introduction: Regulation, Supply Security, Rigidity and Changing Competitiveness in Air Transport Services'

Panelists: Mr Rick Coyle, Qantas

Mr T. Weedon, 'Integration of Domestic and International Air Transport Policy and Practice in Australia'

Panelists: Mr James Kimpton, Ansett Airlines of Australia; Mr Bryan Porter, Trans Australian Airlines

Peter Forsyth, 'Air Transport Policy Issues on the Australia-Japan Route'

Panelists: Mr Frank Gallagher, Department of Transport, Air and Sea Policy

Neil Leiper, 'The Japanese Travel Market and its Potential for Australian Tourist Destinations'

Panelists: Mr Steve LePage, East-West World Travel; Mr Peter Harding, Australian Tourist Commission; Mr Jim Ferguson, Tourism Division, Department of Sport, Recreation and Tourism

Neil Smith, 'Air Freight between Australia and Japan'

Panelists: Dr Keith Trace, Faculty of Economics and Politics, Monash University

Chairman: Dr Peter Drysdale

Director, Australia-Japan Research Centre

Luncheon Speaker: Mr Lindsay MacAlister

Managing Director, Australian Trade Commission

Centre workshops

Australia, China, Japan: Issues in the Economic Relationship, 19 September 1986

Papers presented were:

Kym Anderson and Rod Tyers, 'Economic Growth and Market Liberalisation in China: Implications for Agricultural Trade'

Bill Brugger, 'Ideology of Economic Reform in China'

John Copland, 'The Development of China's Wool Industry'

Christopher Findlay, Kym Anderson and Peter Drysdale, 'China's Trade and Pacific Economic Growth'

Christopher Findlay, Kym Anderson and Xiao Qin Zhang, 'China's Metals Industries and Pacific Trade Prospects'

Yōichirō Higuchi, 'Experience of Japanese Wool Industry and Its Implications for Chinese Wool Industry'

Takashi Inoguchi, 'The China-Japan Relationship in Perspective'

David Kelly, 'Philosophy as a Productive Force: Information Technology in China Reconsidered'

Young-il Park, 'Changing Pattern of Textile Trade in Northeast Asia'

Greg Story, 'Japan-China Economic Cooperation'

On Kit Tam, 'Chinese Financial Reform: International Dimensions and the Role of Japan'

Briefing session

Briefing on Developments in Trade and Trade Policy: Chinese GATT Delegation, 15 December 1986

Papers presented were:

Dr Peter Drysdale: 'Western Pacific and International Trade Diplomacy'.

Dr Christopher Findlay: 'Prospects for China's Trade'.

Drs Kym Anderson and Rod Tyers: 'World Trade in Food and Fibres'.

Mr Ben Smith: 'Issues in Resources Trade'.

Chinese Delegation

Mr Wu Jiahuang

Division Chief

Department of International Relations

Ministry of Foreign Economic Relations and Trade

Mr Mu Jingxuan

Division Chief

Department of Trade Administration

Ministry of Foreign Economic Relations and Trade

Mr Wang Yi

Official

Department of International Relations

Ministry of Foreign Economic Relations and Trade

Mr Fu Ziyang

Official

Department of Finance

Ministry of Foreign Economic Relations and Trade

Mr Zhu Hongjie

Official

Department of Planning

Ministry of Foreign Economic Relations and Trade

Ms Zhang Xiaoan

Official

Department of International Organisations and Conferences

Ministry of Foreign Affairs

Other Australian Participants:

Mr John McDonnell, International Trade Adviser

Dr Andrew Elek

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