

31/1971

THE AUSTRALIAN NATIONAL UNIVERSITYRESEARCH SCHOOL OF PACIFIC STUDIESDEPARTMENT OF ECONOMICSANNUAL REPORT 1970Staff

Professor	H.W. Arndt, M.A., B.Litt.(Oxon.)
Professorial Fellows	D.M. Bensusan-Butt, M.A.(Cantab.) Audrey G. Donnithorne, M.A.(Oxon.) E.K. Fisk, M.A.(Oxon.) R.M. Sundrum, B.A., B.L.(Rangoon), Ph.D.(Lond.) (from October)
Senior Fellows	T. Scarlett Epstein, B.A., Ph.D.(Manc.) P.J. Lloyd, M.A.(Well.), Ph.D.(Duke) D.H. Penny, M.Ec.(Adel.), M.A.(Stan.), Ph.D.(Corn.) (from July) R.T. Shand, M.Sc.Agr.(Syd.), Ph.D.(Iowa) (from July)
Honorary Fellow	Sir Leslie Melville, K.B.E., B.Ec.(Syd.)
Senior Research Fellows	C. Barlow, M.B.E., B.Sc.(Lond.), M.S.(Corn.), Ph.D.(Aberd.) T.H. Silcock, M.A., D.Phil.(Oxon.)
Research Fellows	B.A. Lockwood, B.Com., Dip.Ed.(Melb.), M.Sc.(Hawaii), Ph.D. P. Luey, B.A.(H.K.), Ph.D.(Edin.) Hazel V. Richter, M.A.(Manc.) M.L. Treadgold, B.Ec.(W.A.), B.Phil. (Oxon.), Ph.D.
Research Officers	Ruth Daroesman, B.A.(Calif. & Malaya) W.F.M. Straatmans, Dip.Trop.Agric. (Deventer)
Research Assistants	Rosemary Barnard, B.A. (from February) Boediono, B.Ec. (from July) Audrey Cornish, B.A. (part-time) Margaret Easton Beverley Gothe, B.Com. (part-time) Patricia Lau, B.A. (until October) Kate Miller, B.A. (from July) Maree Tait, B.Ec. Nancy Viviani, M.A. (part-time) (until March)

The Department was fortunate in being able to attract Dr R.M. Sundrum who left the services of the World Bank in Washington to take up an appointment as Professorial Fellow in October. Dr P.J. Lloyd was appointed to the Senior Fellowship vacated by the resignation of Dr Helen Hughes. Dr R.T. Shand and Dr D.H. Penny were promoted to Senior Fellowships.

### Visitors

For four months, the Department had the benefit and pleasure of the company of Professor Lloyd G. Reynolds, a Visiting Fellow in the Department of Economic History, Research School of Social Sciences, but accommodated in the Department. Mr J.K. Metzner, of the South Asia Institute, Heidelberg University, spent some weeks in the Department as a Visiting Research Fellow.

Among the many foreign scholars who paid visits to the Department during the year were Professor K.J. Pelzer (Yale), Professor Fritz Machlup (Princeton), Professor Benjamin Higgins (Montreal), Professor Dwight Perkins (Harvard), Professor S. Ishikawa (Hitotsubashi), Professor Kiyoshi Kojima (Hitotsubashi), Professor J. Lindbeck (Columbia), Professor Soebroto (University of Indonesia) and Academician Gafurov (Moscow).

### Research Program

For the first time, the Department's list of publications contains three books on the Pacific islands, Nancy Viviani's study of Nauru, E.K. Fisk's of the economy of Fiji and B.A. Lockwood's of the Samoan village economy, and two on China, R.H. Myers' The Chinese Peasant Economy (mainly written in the Department though completed at Harvard) and Audrey Donnithorne's monograph on China's grain trade. But much the larger part of the Department's work continues to be centred on New Guinea and on Indonesia and other countries of Southeast Asia.

Almost half the members of the Department have devoted some of their time this year to aspects of economic development in New Guinea. Mr E.K. Fisk and Dr R.T. Shand continue to take an active interest in development planning in the Territory. Dr Shand is making good progress with his two major research projects on indigenous cash cropping and nucleus estates and has this year also been a member of the Board of Enquiry into the Rural Minimum Wage in New Guinea. Dr Scarlett Epstein continues her work on indigenous marketing and has this year also studied the impact on indigenous society of the Bougainville copper project and embarked on a comparative analysis of social change in New Guinea and South India. Dr M.L. Treadgold is working on the macro-economic effects of the Bougainville copper project and other aspects of economic development planning. Professor H.W. Arndt contributed a paper to a seminar on the monetary system of New Guinea conducted by the Department in September. Several members of the Department have lectured at the University of Papua and New Guinea, and given papers at a Waigani seminar and at the ANZAAS Congress held at Port Moresby.

Most of the work of the three staff members of the Indonesian Project is devoted to the Bulletin of Indonesian Economic Studies for the publication of which the Department has resumed responsibility from the Australian National University Press. The regular three issues were published during the year. The Commonwealth Government has decided to donate 500 subscriptions to the Indonesian Economists' and Agricultural Economists' associations which will sell them to their members and use the proceeds to help finance some of their own activities. This large order, together with substantial sales in Indonesia and a steady flow of new subscriptions from all over the world, has led the Editorial Board to raise the number of each issue to be printed to 2,500. Dr Masri Singarimbun is continuing his work, under the joint auspices of this Department and the Department of Demography, on village attitudes to family planning in Central

Java. Two students are working on Indonesian topics, Mr P.T. McCawley on the electric power industry and Mr J. Kolff on fertiliser distribution.

Among other countries of Southeast Asia, Malaysia and Singapore remain one of the Department's main area interests. Four students are working on various aspects of their economies. Mr Fisk continues his interest in Malaysian rural development and much of Dr C. Barlow's work on rubber and other aspects of plantation agriculture is centred on Malaysia.

Mrs Hazel Richter is continuing her work on Burma, Dr P. Luey his on the trade of Hong Kong. Other studies by various members of the Department deal with economic problems of the whole Southeast Asian region.

In addition to all these empirical studies of economic developments in the region, work continues on aspects of the theory of growth and trade. Mention should be made particularly of Dr P.J. Lloyd's work on trade theory and of a seminar on motivation in economic development, organised by Dr Scarlett Epstein and Dr D.H. Penny, which continued through the year and to which many members of the Department as well as staff and students of other departments in the University contributed papers. A selection of the papers is to be published as a book.

The Department again gratefully acknowledges the Ford Foundation grant which is continuing to provide valuable financial help to the Indonesian Project and two research grants by the Reserve Bank of Australia.

#### Students

Two students of the Department submitted their theses during the year. Two returned from field work in Indonesia. Two others left for field work, one in Malaysia, the other in Fiji. The Department, for the second year in succession, was unable to recruit new students, but the tide turned towards the end of the year when an unusually large number of good applications for scholarships was received.

An important innovation this year was the Department's participation in the first year of the new M.Ec. degree by course work. Mr Fisk organised and was in charge of a course on Economic Development Planning given by members of the Department and some from other parts of the University.

#### Other Activities

Besides the seminar on the New Guinea monetary system mentioned above, the Department joined with the Department of International Relations in organising a very successful conference on Australian-Indonesian Relations held at Canberra in May and with several departments in a conference on Contemporary China Studies held at Canberra in August. In addition to the ANZAAS Congress and Waigani Seminar, members of the Department presented papers at the Third Pacific Trade and Development Conference (Sydney, August), at the Conference of the Pacific (Santiago, September), at the Agricultural Economics Conference (Bukittinggi, Sumatra, February), at a Bismarck Archipelago Conference (Santa Cruz, July) and at a seminar on training needs in Asian countries (East-West Center, September).

There is an increasing demand for the services of members of the Department as consultants to Australian government departments, foreign institutes, international agencies and Australian business firms. The first category is illustrated this year by Dr Lloyd's work for the Tariff Board, Dr Shand's in the New Guinea Rural Minimum Wage Enquiry, Dr Treadgold's on Bougainville, and Dr Penny's membership of a mission to Indonesia for the Australian-Asian Universities Co-operation Scheme; the second by Dr Barlow's work as consultant to the Ceylon Rubber Research Board and Bogor Research Institute for Estate Crops; the third by Professor Arndt's membership of the Governing Council of the United Nations Asian Institute for Economic Development and Planning and of an Asian Development Bank Expert Group on likely economic trends in Southeast Asia in the 1970s; the fourth by numerous enquiries and requests for information addressed to the staff of the Indonesian Project by companies interested in trade with or investment in Indonesia.

#### Acknowledgments

Members of the Department take this opportunity to express their thanks for help during the year to Mrs H. Harding and all members of the secretarial staff of the Department, to Messrs G. Hutchens and P. Grimshaw and other members of the University administration, and to the staff of the Menzies Library.

#### Publications

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"Central Government Matching Grants for Regional Revenue", Bulletin of Indonesian Economic Studies, Vol.VI, No.2, July 1970, pp.94-97.

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ARNDT, H.W. & ROSS, C.†

"The New National Income Accounts", Bulletin of Indonesian Economic Studies, Vol.VI, No.3, November 1970, pp.33-60.

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† Not a member of this University.

CRAWFORD, J.G. <sup>∅</sup>

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DONNITHORNE, Audrey G.

China's Grain: Output, Procurement, Transfers and Trade, Economic Research Centre, Chinese University of Hong Kong, 1970, pp.36.

EDWARDS, C.T.\*

Public Finances in Malaya and Singapore, Australian National University Press, 1970, pp.xi + 386.

EPSTEIN, T. Scarlett

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"Indigenous Entrepreneurs and Their Narrow Horizon", New Guinea Research Bulletin, No.35, May 1970, pp.16-26.

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FISK, E.K.

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GRUBEL, H.G.\*\*\*

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"A Proposal to Provide Development Aid through Equity Investments and Mutual Funds", Economic Record, Vol.46, No.113, March 1970, pp.86-95.

<sup>∅</sup> Vice-Chancellor, former member of the Department.

\* Former member. Based on work done while a member of the Department.

\*\*\*Based on work done while a Visiting Research Worker.

HUGHES, Helen\*

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"The Manufacturing Industry Sector", in Southeast Asia's Economy in the 1970's, Asian Development Bank, Manila, 1970, pp.231-312.

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\* Former member. Based on work done while a member of the Department.

\*\*\*Based on work done while a Visiting Research Worker.

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McCAWLEY, P.T.

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MYERS, R.H.\*

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PENNY, D.H. & GITTINGER, J.P. ‡

"Economics and Indonesian Agricultural Development", in H.W. Beers (ed.), Indonesia: Resources and Their Technological Development, University Press of Kentucky, Lexington, 1970, pp.259-73.

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"The National Conference on Agricultural Economics at Bukittinggi", Agro-Ekonomika, Djakarta, Vol.1, No.2, July 1970, pp.115-23.

RICHTER, Hazel V.

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\* Former member. Based on work done while a member of the Department.

‡ Not a member of this University.

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"Inflation, Real Wages and the Rate of Saving in the Philippines", The Developing Economies, Vol.VIII, No.3, September 1970, pp.

VIVIANI, Nancy\*

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\* Former member. Based on work done while a member of the Department.