

THE AUSTRALIAN NATIONAL UNIVERSITY  
RESEARCH SCHOOL OF PACIFIC STUDIES  
DEPARTMENT OF ECONOMICS

ANNUAL REPORT 1973

Staff

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.(London)
Senior Fellows	P.J. Lloyd, M.A.(Well.), Ph.D.(Duke) D.H. Penny, M.Ec.(Adel.), M.A.(Stan.), Ph.D.(Corn.) R.T. Shand, M.Sc.Agr.(Syd.), Ph.D.(Iowa)
Senior Research Fellows	C. Barlow, M.B.E., B.Sc.(Lond.), M.S.(Corn.), Ph.D.(Aberd.) D.M. Etherington, B.Ec.(Rhodes), M.S.(Corn.), Ph.D.(Stan.) T.H. Silcock, M.A., D.Phil.(Oxon.) M.L. Treadgold, B.Ec.(W.A.), B.Phil. (Oxon.), Ph.D. (from July) Elizabeth Whitcombe, M.A.(N.Z.), Ph.D.(Lond.) (from April)
Research Fellow	Hazel V. Richter, M.A.(Manc.)
Honorary Fellows	Sir John Crawford, C.B.E., M.Ec. (Syd.) (from March) G.S. Dorrance, M.A.(Queens) (June to August) Sir Leslie Melville, K.B.E., B.Ec.(Syd.) M.L. Parker, M.Sc., Ph.D.(W.A.) (until October) M. Steinhoff, Dipl.Pol.(F.U., Berlin) (from April)
Visiting Fellows	G.F. Donaldson, B.Sc.Agr.(Syd.), Ph.D.(Lond.) (July to October) R.J. Hensley, B.A.(Oregon), Ph.D. (Calif.) (until May)
Research Officers	Ruth Daroesman, B.A.(Calif. & Malaya) A.B. Ikonnikov

Research Assistants

Flora Chan, B.A.  
 Audrey Cornish, B.A. (part-time)  
 (until February)  
 Helen Duncan, B.Ec. (from February)  
 Margaret Easton  
 Robin Grau, B.A. (part-time)  
 A.H. Gunawan, Drs. (from April)  
 Bilsen Jorgensen-Dahl, M.A.  
 Gloria Robbins, B.Sc.  
 Maree Tait, B.Ec.

Sir John Crawford was welcomed back to the Department as an Honorary Fellow following his retirement as Vice-Chancellor in March. Dr Elizabeth Whitcombe took up a two-year appointment as Senior Research Fellow in April. Dr M.L. Treadgold was promoted to Senior Research Fellow in July.

### Visitors

Dr M.L. Parker completed in October his two-year appointment as Visiting Fellow under a Reserve Bank grant to undertake an inter-industry study of Papua New Guinea. Professor R.J. Hensley, of the University of Miami, completed his term as Visiting Fellow by spending a month on field work at Hasanuddin University, Ujung Pandang (Makassar), in June. Dr G.F. Donaldson, from the World Bank, Washington, spent the period July to October in the Department as Visiting Professor in the Master's course in Agricultural Development Economics. Mr G.S. Dorrance, of the International Monetary Fund, held a three-month Honorary Fellowship, June to August, to work on a book on monetary theory. Mr M. Steinhoff, of the Institute for Asian Studies, Hamburg, was given an Honorary Fellowship to enable him to continue work on entrepreneurship in Taiwan.

Among many short-term visitors, special mention should be made of Professor E.A.G. Robinson, of Cambridge, former President of the International Economic Association; Professor G.C. Allen, of the University of London; and Ambassador E.M. Martin, Chairman of the Development Assistance Committee of the OECD, Paris. Among many distinguished visitors from Asian countries were Mr Adam Malik, Foreign Minister of Indonesia; Dr Cesar Virata, Minister of Finance of the Philippines; Professor Amado Castro, University of the Philippines; and Dr H. Kanamori, President of the Japan Economic Research Center, Tokyo.

### Research Program

Several major studies were published during the year. Among them are the papers given to the seminar on motivation in economic development that met throughout 1970, now published by the two organisers, Dr Scarlett Epstein and Dr D.H. Penny, under the title Opportunity and Response: Case Studies in Economic Development; and the proceedings of a seminar on the Green Revolution held during the 1971 International Congress of Orientalists in Canberra and now edited by Dr R.T. Shand under the title Technical Change in

Asian Agriculture. They also include Dr P.J. Lloyd's contribution to an international comparative study of non-tariff barriers to trade; Dr M.L. Parker's inter-industry analysis of the economy of Papua New Guinea; and Dr Scarlett Epstein's re-examination of conditions in rural South India. Major studies completed during the year, or well on the way to completion, are Mr E.K. Fisk's book on the economic theory of the transition from subsistence to monetised economies, Dr C. Barlow's book on natural rubber, Professor T.H. Silcock's study of the structure of the professions in Southeast Asia, and the second volume of Dr Elizabeth Whitcombe's trilogy on agrarian conditions in northern India.

The accelerated approach of Papua New Guinea to self-government and independence has lent added interest to the work of New Guinea specialists in the Department, both macro-economists who have been concerned with the current five-year plan and longer-term projections and others concerned with particular sectors, agriculture, manufacturing, mining, trade policy and educational development. A project demanding related expertise has been a study, undertaken at the request of the Government of Queensland, of the economic conditions and prospects of the people of the Torres Straits islands.

International political developments have provided additional incentives, if hardly yet additional facilities, for the economic aspects of the work of the Contemporary China Centre. Two missions visited China during the year - perhaps the first by organised academic groups since the Cultural Revolution. The first was led by the Head of the Centre, Miss Audrey Donnithorne; the second included another member of the Department, Mr K. Bucknall. Meanwhile, the Department has also become increasingly involved in the three-year research project on Australia-Japan economic relations, jointly organised by Sir John Crawford and Dr Saburo Okita.

The most noteworthy development in the framework of the Indonesian Project was the award of two further Ph.D. scholarships for research in Indonesia, so that next year five postgraduate scholars will be at work on Indonesian topics, including the Ipeda land tax, inter-island shipping and trade in eastern Indonesia, money and finance (based on a flow of funds analysis), the Indonesian balance of payments, and some aspects of the labour market. Several visits to Indonesia by members of staff during the year have served to extend collaboration with Faculties of Economics of Indonesian universities.

### Students

During 1973, two students were admitted to the Ph.D. degree and one submitted his thesis. Four students took up Ph.D. scholarships during the year and another five scholarships were awarded. The increased rate of recruitment, out of a large number of good applicants, contrasts

with the lull experienced over the preceding two or three years and, though hard to explain, is very gratifying. One result is, as has been pointed out, an important strengthening of the Department's Indonesian Project. Of the other research theses on subjects involving field work, two relate to Malaysia, two to Papua New Guinea, and one to the Philippines.

The new Master's course in Agricultural Development Economics completed its second year. Eight students from almost as many countries graduated.

Several members of the Department again lectured in the M.Ec. coursework program and participated in the work of the Committee which conducts the program.

#### Other Activities

Four members of staff spent part of the year overseas on study leave. Mr Fisk was away for five months, working mainly at Nuffield College, Oxford; Dr Penny returned in May from a year spent mainly at Cornell University; Miss Donnithorne used three months to visit centres of China studies and to attend conferences in Europe, the United States and Israel; Dr Shand left in March for two years of combined study leave and field work in New Delhi, mainly to complete the joint ANU-Planning Commission study of the Indian high-yielding varieties program.

Field work took Professor Arndt, Mrs Daroesman and Dr Etherington to Indonesia, Dr Barlow to Malaysia, Professor Silcock to Thailand and Singapore, Dr Lloyd to New Zealand, Dr Whitcombe to London, and Dr Treadgold to the Torres Straits and Papua New Guinea. As has already been mentioned, Miss Donnithorne led the first Contemporary China Centre mission to China in June and Mr Bucknall was a member of the second group that visited China in September.

Among overseas conferences attended by members of the Department during the year were the Fifth Pacific Trade and Development Conference in Tokyo (Professor Arndt), the 29th International Congress of Orientalists in Paris (Miss Donnithorne), the Asian Regional Conference on Industrial Relations in Tokyo (Dr Sundrum), and a seminar on New Zealand-Australia Co-operation in Wellington (Dr Lloyd). Three members of the Department gave papers at the ANZAAS Congress in Perth; three to the AIIA Conference on Asia and the Western Pacific in Canberra; and one to the Third Conference of Australian Economists in Adelaide.

Among consultant and advisory activities by members of the Department during the year, mention should be made of Sir John Crawford's report to the Australian Government on an Industries Commission, his work as a World Bank adviser in Iran and India, and his chairmanship of the Papua New Guinea Development Bank; Dr Lloyd's role as Special Adviser to the Australian Government's Joint Committee on Prices; Mr Fisk's work for the Papua New Guinea Government on national

income estimates and appointment to the Board of the Papua New Guinea Development Bank. Dr Penny took part in a mission to advise on land settlement in Brazil; Mr Fisk and Dr Treadgold undertook a study of the economic conditions and prospects of the Torres Straits islands for the Government of Queensland; Dr Whitcombe acted as consultant to the United Nations Research Institute for Social Development, Geneva; Dr Sundrum continued his work for the Council of Asian Manpower Studies; Mr Butt continued his work as a member of the Australian Government's Taxation Review Committee; and Professor Arndt remained a member of the Governing Council of the United Nations Asian Institute for Economic Development and Planning in Bangkok.

Besides the Bulletin of Indonesian Economic Studies which has completed its ninth year and of which a regular Jakarta printing is planned as from next March, the Department publishes occasional Departmental Papers. The fifth volume in the series, Dr M.L. Parker's Papua New Guinea: An Inter-Industry Study, was published during the year.

#### Acknowledgments

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.

Members of the Department also wish to acknowledge with thanks the help given to them during the year by Mrs Harding and all members of the secretarial staff of the Department, by Messrs Hutchens and Grimshaw and other members of the University administration, and by the staff of the Menzies Library.

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<sup>1</sup>Based on work done while a member of the Department of Economics, School of General Studies.

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<sup>1</sup>Former member.

<sup>2</sup>Not a member of this University.

<sup>3</sup>Member of the New Guinea Research Unit.

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<sup>1</sup> Former member.

<sup>2</sup> Based on work done prior to joining this University.

<sup>3</sup> Not a member of this University.



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<sup>1</sup>Based on work done while a member of the Department of  
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<sup>1</sup>Member of the Department of Economics, School of General Studies.

<sup>2</sup>Member of the New Guinea Research Unit.

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