

DIVISION OF ECONOMICS

Professor Hal Hill, Convener [until 1 July], Deputy Convener [from 1 July]

Professor Peter Warr, Deputy Convener [until 1 July], Convener [from 1 July]

AUSTRALIA SOUTH ASIA CENTRE

Professor Raghendra Jha, Executive Director

INDONESIA PROJECT

Associate Professor Chris Manning, Head

POVERTY RESEARCH CENTRE

Professor Peter Warr, Head

Division of Economics

<http://rspas.anu.edu.au/economics/>

Working Papers in Trade and Development

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Australia South Asia Centre

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Indonesia Project

<http://rspas.anu.edu.au/economics/ip/>

Bulletin on Indonesian Economic Studies (BIES)

<http://rspas.anu.edu.au/economics/bies/>

Poverty Research Centre

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DIVISION OF ECONOMICS

The Division works on the application of economic analysis to issues of analytical and policy importance within the Asia Pacific region. Members of the Division are intensively engaged in research, PhD student supervision and teaching corresponding to this mission. The distinctive feature of the Division is the intersection, within the same individuals, of two different but complementary forms of expertise: (i) a high level of disciplinary competence in the relevant fields of applied economics, and (ii) deep regional knowledge, supplemented by on-the-ground experience.

The fields of economics in which the Division has sought to maintain a high level of competence are development economics, international economics, and aspects of applied microeconomics and macroeconomics that are especially relevant for its work on the Asia Pacific region. Division staff currently have active interests in the analysis of macroeconomic stability, agriculture, industrialisation, poverty, the role of the state, the environment, and international trade and investment. The geographical areas in which the Division is most closely engaged are Southeast Asia, especially Indonesia, South Asia and China. As Australia engages ever more deeply with the Asia Pacific region this work is of increasing importance for Australia itself and for the contributions Australia can make to the region as a whole.

The Division hosts three major research centres: the Indonesia Project, recognised as the leading centre outside Indonesia for research on the Indonesian economy, and publisher of the *Bulletin of Indonesian Economic Studies*, as well as the Australia South Asia Centre (ASARC) and the Poverty Research Centre.

The Division sponsors two major annual public lecture series. The Fifth Arndt Memorial Lecture was given by Professor Max Corden on 'The Asian Crisis: Ten Years After' and attracted a very large audience. The 2007 K R Narayanan Oration was entitled 'Coping with Climate Change: Is Development in India and the World Sustainable?' and was given by Dr R K Pachauri and it too attracted a large and enthusiastic audience.

The Division's Indonesia Project also hosted two major public addresses by prominent Indonesian cabinet Ministers, H E Mari Elka Pangestu (Minister of Trade) and H E Indrawati Sri Mulyani (Minister of Finance) in August and November. In addition, the 2007 Indonesia Update Conference, the 25th in this major, high profile series on 'Islamic Life and Politics' and coordinated by Greg Fealy and Sally White, was attended by over 400 participants over two days, 7–8 September.

During 2007, 29 students were enrolled for PhD research and 3 PhDs were awarded: B J Ang, on 'The role of financial intermediation in economic development: Evidence from Malaysia'; Kompal Sinha, on 'Essays in nutrition and labour supply: An empirical investigation for rural India'; and Q T Tran, on 'Foreign direct investment in industrial transition: A case study of Vietnam'.

Division staff were active in organising and presenting at a wide range of conferences both in Australia and abroad. In addition to those mentioned above, Professor Ross Garnaut chaired the 2006 China Update, 'The Turning Point in China's Economic Development'.

During the year, 3 books, 23 journal articles and 16 book chapters were published, along with numerous other short monographs and working papers. Book titles

included Professor Prema-chandra Athukorala's *Multinational Enterprises in Asian Development* (Edward Elgar); Professor Hal Hill's *The Dynamics of Regional Development: The Philippines in East Asia* (Edward Elgar and Aleneo University Press) (coedited with Arsenio Balisacan); and Professor Ross Garnaut's, *China: Linking Markets for Growth* (Asia Pacific Press) (coedited with Ligang Song).

Professor Athukorala was an invited paper presenter at 5 international conferences: '50 Years of Independent Malaysia', organised by University of Nottingham Malaya, November; 'Reforms for Korea's Sustained Growth', organised by the East West Center and the Korean Development Institute, Honolulu, Hawaii, July; 'Ten Years After the Crisis: Learning from the Asian Financial Crisis', organised by ADBI, Tokyo, June; 'Promoting Regional Partnerships to Enhance Asia's Competitiveness', organised by the Japan Bank for International Corporation and the Institute of Economic and Social Research, University of Indonesia, Jakarta, August; and 'Asian Economic Forum', organised by the Brookings Institute and Earth Centre, Columbia University, April. In October he undertook a comprehensive review of the teaching program and staff performance in the Department of Economics, Faculty of Economics and Administration, University of Malaya as part of his duties as External Examiner of that department.

Professor Hill served as Convenor, Division of Economics, RSPAS, until 30 June, and was thereafter Deputy Convenor. He supervised or was on the committee of 6 PhD students. He was on the board of 14 academic journals, and during the year refereed 12 academic papers. With Professor Garnaut, he continued to organise the annual H W Arndt Lecture at the ANU. During 2007 he also published papers in the *Singapore Economic Review*, the *Asian Economic Journal*, *Economics and Finance in Indonesia*, and the *Asian Economic Policy Review*. He was invited to present papers to international conferences in Tokyo (3 times), Singapore and Jakarta. He also gave conference and seminar presentations in Sydney, Bandung, Kyoto, Seoul and Manila, in addition to four presentations at ANU.

With colleagues from the Centre for Strategic and International Studies, Jakarta, Professor Hill was awarded a grant of \$65,000 under the Australia Indonesia Governance Research Project. He also secured a three-year inaugural grant of \$75,000 from AusAID for the newly established Australasian Development Economics Workshop. In addition, he negotiated a grant of US\$23,000 to coordinate a five-member team report on regional development dynamics in Indonesia and the Philippines. He was a member of the International Advisory Group of the Institute of Southeast Asian Studies, Singapore, and AusAID's Philippine Country Program. With Chris Manning, he secured funding for and organised the inaugural High Level Policy Dialogue, which comprises a group of Australian and Indonesian academics and officials who meet twice a year and report to the Indonesian Minister of Finance. He also undertook policy advisory work for the Asian Development Bank in Laos, he was a member of the review committee of the Asian Economics Centre, University of Melbourne, and he made presentations to the boards of two ASX 100 Australian companies.

Professor Raghavendra Jha continued his involvement with government, industry and commerce through consultations and briefings and regular advisory roles. He was involved in over ten research collaboration and over six instances of invited media commentary. He was a member of 26 editorial boards and/or referral committees. During the year he organised 2 conferences and gave 2 major invited guest lectures.

He was the recipient of 3 research grants: one from the ARC and AusAID to study the design of social safety nets in India 2007–2009, one from the International Fund for Agricultural Development to study vulnerability in Pacific island nations, and one from the Australia–India Council to support the 2007 Narayanan Oration.

Professor Peter Warr completed a major study of technical change in Indonesian and Thai agriculture and continued his work on the distributional effects of agricultural protection. This involved general equilibrium modeling of the Indonesian, Thai and Lao economies. Professor Warr was also an advisor to the Thai government's Ministry of Science, on the effects of technical change in Thai agriculture. He contributed to major international conferences in Manila and Bangkok on the relationship between agricultural protection and poverty incidence in Indonesia and Thailand and also the relationship between road improvement and poverty incidence in Laos. He was Deputy Convener of the Division during the first half of 2007 and became Convener during the second half of the year.

Dr Chris Manning headed the Division's Indonesia Project, providing leadership for a range of ongoing activities and new initiatives, and especially involving preparation of materials for an AusAID-funded review of the Project, and the Project Board engagement in that review. His major research activity in 2007 was preparation for fieldwork in four Indonesian cities related to the China Indonesia Rural Urban Migration Project (a 5-year, ARC–AusAID funded panel study). This involved four separate trips to Indonesia for periods of one to two weeks each, for preparation of a questionnaire and survey instruments, coaching of key researchers at Gadjah Mada University in Yogyakarta, and planning of sampling and survey procedures. Other highlights included papers on labour policy in Indonesia, both published in the *Bulletin of Indonesian Economic Studies*; preparations for an edited book in honour of retiring Professor Harold Crouch; a paper (with Alexandra Sidorenko) on international labour migration published in the *World Economy*; and the presentation of papers at the Indonesia Council meeting at Monash University in September, at a conference on East Asian Economic Relations at the National University of Singapore in October, and at Gadjah Mada University in Indonesia in November.

Dr Budy Resosudarmo was a member of the organising committee of the 2007 Indonesian Regional Science Association International Institute conducted in Bandung on 1–3 November. He co-edited a book, *Empowering Regional Economic Development toward Sustainable Poverty Alleviation*, and published two chapters in edited books. His international conference/seminar presentations included Economic Transition and Natural Resource Management in East and Southeast Asia Conference (Ho Chi Minh, Viet Nam, 21–22 June), 3rd Australian Development Workshop (Sydney, 7–8 June), Indonesia Council Open Conference (Melbourne, 24–25 September), and 2007 Indonesian Regional Science Association International Institute (Bandung, Indonesia, 1–3 November). Four of his PhD students submitted their dissertations. He was also involved in the supervision of 12 other PhD students.

Professor Xin Meng continued to head the Rural–Urban Migration in China and Indonesia Project together with colleagues Tao Kong, Chris Manning, Budy Resosudarmo, Xiaodong Gong and Paul Frijters. This project was established to investigate the impacts of internal migration within China and Indonesia. In particular, the investigation is focused on the collection of data through 5-year longitudinal surveys in China and Indonesia and the use of these data to answer questions regarding migration's impact on income mobility, poverty alleviation, the education,

health and nutrition of migrant workers, and the assimilation of migrant workers into the city.

Dr Xiaodong Gong continued his work on the survey of migrant workers in China, travelling to China on four occasions. Three of his papers were accepted for publication, including 'Impact of income growth and economic reform on nutrition intake in urban China: 1986–2000' (with X Meng and Y Wang), in *Economic Development and Cultural Change*; 'Improving the modeling of couples' labour supply' (with R Breunig and D Cobb-Clark), in *Economic Record*; and 'Estimating cognitive gaps between indigenous and non-indigenous Australians' (with A Leigh), in *Education Economics*. He also presented a seminar within the College.

Dr Tao Kong was a prime contributor to the ARC linkage project co-sponsored by AusAID and the Ministry of Labour, China: 'Rural–Urban Migration in China and Indonesia: Patterns, Consequences and Policy Interventions'. This work included drafting questionnaires, designing the implementation strategy and conducting two pilot surveys across four cities in China. Dr Kong also published 'A selective review of recent developments in the economic growth literature', *Asian Pacific Economic Literature*, and (with G Fane) 'Poverty reduction in Lao PDR', in C Tisdell (ed.), *Poverty, Poverty Alleviation, and Social Disadvantage: Analysis, Case Studies and Policies*.

POSTGRADUATE EDUCATION AND RESEARCH

Doctoral Degrees Conferred and Thesis Topics

Ang, B J

The role of financial intermediation in economic development: Evidence from Malaysia

Sinha, K

Essays in nutrition and labour supply: An empirical investigation for rural India

Tran, Q T

Foreign direct investment in industrial transition: A case study of Vietnam

Doctoral Students and Research Topics

Amornkitvikai, Y

Financial development, reform and growth: Thailand

Burke, P

Essays on the impacts of economic growth

Chen, T

Reform of China's exchange rate

Dang, N T

The choice of exchange rate boards

Gong, C H

Inequality and economic growth in China

Hill, S

Foreign direct investment and economic growth: The role of host country policies

Lee, M

Trade liberalisation and inequality

Liu, X

Monetary policy regime in developing countries

Machmud, A

The search for a new framework for monetary policy after 1998

Matsui, M

Marriage, employment and happiness: The work–life balance of Japanese

Miranti, R

The determinants of regional poverty in Indonesia 1984–2002

Nashihin, M

Poverty incidence in Indonesia, 1987–2002: A utility-consistent approach based on a new survey of regional prices

Nguyen, J D

The aging of Japan: Implications for Japan and the rest of the world

Nurdianto, D

ASEAN economic integration

Posso, A

Outward orientation and labour market outcomes in Asia and Latin America

Purnagunawan, R M

Employment, productivity and labour regulation in Indonesia

Ruangkajorn, J

The determinants of private investment in Thailand

Suphannachart, W

Research and productivity in Thailand agriculture

Taborda, R

Structural reforms and industrial adjustment in Columbia

Temenggung, D

Foreign direct investment and productivity spillovers in Indonesian manufacturing

Thomson, R

Determinants of technological innovation

Vidyattama, Y

Patterns of provincial economic growth in Indonesia

Wagle, S

Trade blocs in the Asia-Pacific

Yamashita, N

International fragmentation of production, trade patterns and labour market adjustment in Japanese manufacturing

Yang, Y

Environmental impacts of China's future energy demand

Yee Chong San, L P K F

Use of alternative monetary policy instruments

Yeo, C

Three essays on individuals' responses to welfare reforms in urban China (healthcare utilisation, saving and retirement decision)

Yusuf, A

Equity and environmental policy in Indonesia

Zhang, D

Rural–urban migration in China

PUBLICATIONS

In-house Publications

ASARC Working Papers

<http://rspas.anu.edu.au/asarc/publications.php>

Bulletin of Indonesian Economic Studies

Ross McLeod (Editor)

www.informaworld.com/smpp/title~content=1472-7234

Working Papers in Trade and Development

<http://rspas.anu.edu.au/economics/publications.php>

Ananda, C F*, B P Resosudarmo and S Nazara*

(eds), *Empowering Regional Economic Development Toward Sustainable Poverty Alleviation*, Indonesian Regional Science Association, Jakarta, 203 pp.

Ang, J B and W J McKibbin#

'Financial liberalization, financial sector development and growth: Evidence from Malaysia', *Journal of Development Economics* 84(1), 215–33.

Athukorala, P C

Multinational Enterprises in Asian Development, Edward Elgar, Cheltenham and Northampton, 304 pp.

— 'Market-oriented policy reforms and export-led industrialization: The Sri Lankan experience', in A Siddiqui (ed.), *India and South Asia – Economic Developments in the Age of Globalization*, M E Sharpe, New York, 267–90.

— 'Multinational production networks and the new geo-economic division of labour in Pacific Rim countries', in J J Palacios (ed.), *Multinational Corporations and the Emerging Network Economy in Asia and the Pacific*, Routledge, London, 208–31.

— 'Outward-oriented policy reforms and industrialization in Sri Lanka', *Economic Papers* 26(4), 372–91.

— *The Malaysian Capital Controls: A Success Story?*, Working Papers in Trade and Development 2007/07, Division of Economics, RSPAS, ANU, Canberra, 62 pp.

— *The Rise of China and East Asian Export Performance: Is the Crowding-out Fear Warranted?*, Working Papers in Trade and Development 2007/10, Division of Economics, RSPAS, ANU, Canberra, 41 pp.

Athukorala, P C and S Chand#

Tariff-Growth Nexus in the Australian Economy, 1870–2002: Is There a Paradox?, Working Papers in Trade and Development 2007/08, Division of Economics, RSPAS, ANU, Canberra, 33 pp.

Balisacan, Arsenio M* and H Hill

(eds), *The Dynamics of Regional Development: The Philippines in East Asia*, Edward Elgar, Cheltenham and Northampton, 475 pp.

Bird, K*, S Cuthbertson* and H Hill

Making Trade Policy in a New Democracy after a Deep Crisis: Indonesia, Working Papers in Trade and Development 2007/01, Division of Economics, RSPAS, ANU, Canberra, 37 pp.

Breunig, R, D Cobb-Clark, X Gong and D Venn

‘Disagreement in partners’ reports of financial difficulty’, *Review of Economics of the Household* 5(1), 59–82.

Duncan, R# and R H McLeod

‘The state and the market in democratic Indonesia’, in R H McLeod and A MacIntyre (eds), *Indonesia: Democracy and the Promise of Good Governance*, Institute of Southeast Asian Studies, Singapore, 73–92.

Esguerra, E F* and C Manning

‘Regional labour markets and economic development in the Philippines’, in A M Balisacan and H Hill (eds), *The Dynamics of Regional Development: The Philippines in East Asia*, Edward Elgar, Cheltenham and Northampton, 245–75.

Garnaut, R

‘Linking markets for Chinese growth’, in R Garnaut and L Song (eds), *China: Linking Markets for Growth*, Asia Pacific Press, The Australian National University, Canberra, 1–8.

— ‘Sir John Grenfell Crawford’, in J E King (ed.), *A Biographical Dictionary of Australian and New Zealand Economists*, Edward Elgar, Cornwall, 74–9.

Garnaut, R G and L Song#

(eds), *China: Linking Markets for Growth*, Asia Pacific Press, ANU, Canberra, 450 pp.

Garnaut, R and Y Huang*

‘Mature Chinese growth leads the global platinum age’, in R Garnaut and L Song (eds), *China: Linking Markets for Growth*, Asia Pacific Press, ANU, Canberra, 9–29.

Garnaut, R G and D Vines*

‘Regional free-trade areas: Sorting out the tangled spaghetti’, *Oxford Review of Economic Policy* 23(3), 508–27.

Gorgens, J T# and X Gong

‘Child care usage and the effects of child care on children’s development (Part II)’, report for conference ‘Is it Good for Children to Attend Child Care Early?’, Department of Families, Communities and Indigenous Affairs, Canberra, 40 pp.

Hartono, D* and B P Resosudarmo

‘The impact of controlling energy consumption on household incomes in Indonesia: A preliminary analysis’, in C F Ananda, B P Resosudarmo and S Nazara (eds), *Empowering Regional Economic Development Toward Sustainable Poverty Alleviation*, Indonesian Regional Science Association, Jakarta, 169–89.

— *The Economy-wide Impact of Controlling Energy Consumption in Indonesia: An Analysis Using a Social Accounting Matrix Framework*, Working Papers in Trade and Development 2007/05, Division of Economics, RSPAS, ANU, Canberra, 40 pp.

Hill, H

‘Regional development: Analytical and policy issues’, in A M Balisacan and H Hill (eds), *The Dynamics of Regional Development: The Philippines in East Asia*, Edward Elgar, Cheltenham and Northampton, 68–92.

— ‘The Indonesian economy: Growth, crisis and recovery’, *Singapore Economic Review* 52(2), 137–66.

— ‘The strategy for Indonesia’s economic transformation’, *Economics and Finance in Indonesia* 54(2), 229–63.

Hill, H, A M Balisacan* and S F A Piza*

‘The Philippines and regional development’, in A M Balisacan and H Hill (eds), *The Dynamics of Regional Development: The Philippines in East Asia*, Edward Elgar, Cheltenham and Northampton, 1–50.

Hill, H and A D Narjoko*

‘Winners and losers during a deep economic crisis: Firm-level evidence from Indonesian manufacturing’, *Asian Economic Journals* 21(4), 343–68.

Hill, H and T Shiraishi*

‘Indonesia after the Asian crisis’, *Asian Economic Policy Review* 2(1), 121–41.

Hoekman B and D Vines

‘Multilateral trade cooperation: What next?’, *Oxford Review of Economic Policy* 23(3), 311–34.

Jha, R

‘Emergence, severity, and contours of the fiscal deficit in India and South Asia’, in A Siddiqui (ed.), *India and South Asia – Economic Developments in the Age of Globalization*, M E Sharpe, New York, 116–38.

— ‘Wachstumsland Indien: Überwundene Hindernisse und strukturelle Stärken’, (India, a country of growth: Overcome obstacles and structural strengths), in B Weder di Mauro (ed.), *Chancen des Wachstums: Globale Perspektiven für den Wohlstand von Morgen (Visions of Growth)*, Campus Verlag, Frankfurt and New York, 194–224.

— ‘Federalism and the market: Intergovernmental conflict and the economic reform in the developing world by Erik Wibbles’, *Development and Change* 38(2), 358–9.

— ‘Vulnerability of consumption growth in rural India’, *Economic Political Weekly* 42(8), 711–15.

— ‘The economic contributions of Edmund Phelps: An appreciation’, *Indian Economic Journal* 54(3), 174–8. (2006)

— 2007 K R Narayanan Oration Report, based on the oration delivered by Dr Rajendra Pachauri, Director-General of the Energy and Resources Institute, India and Chairman Intergovernmental Panel on Climate Change, August, Australia South Asia Research Centre, ANU, Canberra, 6 pp.

— *The Indian View of Economic Development: Resilience and the Quest for Growth*, ASARC Working Paper 2007/6, Division of Economics, RSPAS, ANU, Canberra, 22 pp.

— *Fiscal Policy in Developing Countries: A Synoptic View*, ASARC Working Paper 2007/1, Division of Economics, RSPAS, ANU, Canberra, 39 pp.

— *Investment and Subsidies in Indian Agriculture*, ASARC Working Paper 2007/3, Division of Economics, RSPAS, ANU, Canberra, 10 pp.

— *The Indian Economy: Current Performance and Short-Term Prospects*, ASARC Working Paper 2007/4, Division of Economics, RSPAS, ANU, Canberra, 25 pp.

Jha, R and U N Bhati*

Economic Determinants of Newsprint Consumption in India, ASARC Working Paper 2007/10, Division of Economics, RSPAS, ANU, Canberra, 14 pp.

Jha, R and T Palanivel*

Resource Augmentation for Meeting the Millennium Development Goals in the Asia Pacific Region, Working Papers in Trade and Development 2007/02, Division of Economics, RSPAS, ANU, Canberra, 51 pp.

— *Resource Augmentation for Meeting the Millennium Development Goals in the Asia Pacific Region*, ASARC Working Paper 2007/2, Division of Economics, RSPAS, ANU, Canberra, 51 pp.

Jha, R, B Biswal* and U D Biswal*

‘An empirical analysis of the impact of public expenditures on education and health on poverty in Indian states’, in A Tavidze (ed.), *Global Economics – New Research*, Nova Science, New York, 129–47.

Kong, T

‘A selective review of recent developments in the economic growth literature’, *Asian Pacific Economic Literature* 21(1), 1–33.

Kong, T and G Fane

‘Poverty alleviation policies in Laos: Trade liberalisation, road improvements and migration’, in C Tisdell (ed.), *Poverty, Poverty Alleviation and Social Disadvantage: Analysis, Case Studies and Policies*, Serials Publications, New Delhi, 862–78.

Mackie, J A C

Australia and Indonesia: Current Problems Future Prospects, Lowy Institute Paper 19, Lowy Institute for International Policy, Sydney, 155 pp.

Manning, C and K Roesad*

‘The manpower law of 2003 and its implementing regulations: Genesis, key articles and potential impact’, *Bulletin of Indonesian Economic Studies* 43(1), 59–86.

Manning, C and A Sidorenko#

‘The regulation of professional migration: Insights from the health and IT sectors in ASEAN’, *The World Economy* 30(7), 1084–113.

McLeod, R H

‘Faire des affaires en Indonésie: Contraintes juridiques et bureaucratiques’, in *Réformes du droit économique et développement en Asie: Enseignements de la Chine, de l’Indonésie et de la Thaïlande*, Études du programme de recherches ‘Attractivité économique du droit’, sous la direction de Judith Gibson et Bertrand du Marais, La Documentation française, Paris, 37–71 (French translation of ‘Doing business in Indonesia: Legal and bureaucratic constraints’, for the GIP (Groupements d’Intérêt Public) ‘Mission for Law and Justice Research’ research program on ‘Economic Attractiveness of Law’, August 2006.)

McLeod, R H and A MacIntyre#

(eds), *Indonesia: Democracy and the Promise of Good Governance*, Institute of Southeast Asian Studies, Singapore, 207 pp.

— ‘Introduction’, in R H McLeod and A MacIntyre (eds), *Indonesia: Democracy and the Promise of Good Governance*, Institute of Southeast Asian Studies, Singapore, 1–17.

Meng, X

'Wealth accumulation and distribution in urban China', *Economic Development and Cultural Change* 55(4), 761–91.

— *Wealth Accumulation and Distribution in Urban China*, IZA Discussion Paper No. 2553, Institute for the Study of Labor, Bonn, January, 30 pp.

Meng, X and N Bai*

'How much have the wages of unskilled workers in China increased? Data from seven factories in Guangdong', in R Garnaut and L Song (eds), *China: Linking Markets for Growth*, Asia Pacific Press, ANU, Canberra, 151–75.

Meng, X, R Gregory# and G Wan*

'China urban poverty and its contributing factors, 1986–2000', *Review of Income and Wealth* 53(1), 167–89.

Narjoko, A* and F Jotzo

'Survey of recent developments', *Bulletin of Indonesian Economic Studies* 43(2), 143–70.

Nazara, S* and B P Resosudarmo

Aceh-Nias Reconstruction and Rehabilitation: Progress and Challenges at the End of 2006, ADB Institute Discussion Paper No. 70, Asian Development Bank Institute, Tokyo, 62 pp.

Resosudarmo, B P and Y Vidyattama

'The East Asian experience: Indonesia', in A M Balisacan and H Hill (eds), *The Dynamics of Regional Development: The Philippines in East Asia*, Edward Elgar, Cheltenham and Northampton, 123–53.

Warr, P

'How do infrastructure projects benefit the poor?', in C Tisdell (ed.), *Poverty, Poverty Alleviation and Social Disadvantage*, Serials Publications, New Delhi, 88–103.

— 'Long-term economic performance in Thailand', *ASEAN Economic Bulletin* 24(1), 138–63.

— 'Protecting Asia's farmers: Subsidizing the rich, squeezing the poor', *Global Asia* 2(1), 59–64.

Yamazaki, S* and B P Resosudarmo

Does Sending Farmers Back to School have an Impact? A Spatial Econometric Approach, Working Papers in Trade and Development 2007/03, Division of Economics, RSPAS, ANU, Canberra, 20 pp.

Yusuf, A A and B P Resosudarmo

On the Distributional Effect of Carbon Tax in Developing Countries: The Case of Indonesia, Working Papers EEN0706, Economics and Environment Network, ANU, Canberra, 35 pp.

Zhang, D

'An ocean formed from one hundred rivers: The effects of ethnicity, gender, marriage, and location of labor force participation in urban China', *Feminist Economics* 13(3–4), 159–87.

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Dr K Bird, Asian Development Bank, Manila
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Emeritus Prof M Corden, Emeritus Professor of International Economics
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Prof R Gaiha, University of Delhi
Dr D Hartono, University of Indonesia
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Prof H Kierzkowski, Graduate Institute of International Studies, Geneva
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Dr D Narjoko, Centre for Strategic and International Studies, Jakarta
Dr M Mahendrarajah, School of Resources, Environment and Society
Prof P Maitra, Monash University
Dr S Marks, Pomona College, Claremont, CA and Consultant to World Bank, Jakarta
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Dr P McCawley, Indonesia Project
Prof R Mehta, Research Information System, New Delhi
Dr S Muhidin, University of Queensland
Dr G Pursell, International Food Policy Research Institute, Washington
Dr A Rammohan, University of Sydney
Prof E D Ramstetter, International Centre for the Study of East Asian Development,
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Prof R Ray, University of Tasmania
Dr P Robertson, University of New South Wales
Dr M Shah, University of Melbourne
Dr A Sharma, Centre for Health Economics, Monash University
Dr T Sumito, Research Office on Economy, Trade and Industry, Secretariat of the
House of Representatives, Tokyo
Dr S Takii, International Centre for the Study of East Asian Development, Japan
Prof Kian Wie Thee, Economic Research Centre, Indonesian Institute of Sciences,
Jakarta
Dr R Vaithianathan, University of Auckland
Mr X Wang, National Economic Research Institute, Beijing

AUSTRALIA SOUTH ASIA CENTRE

The Australia South Asia Research Centre (ASARC) is at the forefront of research into south Asian economies in the Australia–New Zealand region. ASARC commenced two new projects in 2007. One was a 3-year ARC Linkage Grant Project, with AusAID, entitled ‘Social Safety Nets in India: Effectiveness, Nutritional Impact and Political Economy’. The other, from the International Fund for Agricultural Development (IFAD), is for 18 months, entitled ‘Risk, Vulnerability and Poverty in Central Asia and Pacific Island Countries – Emerging Challenges and Policy Priorities’.

In 2007, ASARC posted 16 working papers, nine of which were either authored or co-authored directly by ASARC staff. ASARC staff also contributed 1 working paper to the Division of Economics Working Paper series during 2007.

ASARC's edited volume, *The First Ten K R Narayanan Orations: Essays by Eminent Persons on the Rapidly Transforming Indian Economy*, was formally launched by the Governor General of the Commonwealth of Australia, His Excellency Major General Michael Jeffrey. This volume is available as a 'print on demand' hard copy or a downloadable electronic version from the internet. A copy of this book was presented to the Governor General on this occasion. ASARC received a grant from the Australia-India Council to publish this volume.

Publications this past year include the 2007 K R Narayanan Oration, *Coping with Climate Change: Is Development in India and the World Sustainable?* by Dr R K Pachauri. This followed the annual K R Narayanan Oration, presented on 8 August by Dr R K Pachauri, Director-General, The Energy and Resources Institute (TERI) and Chairman, Intergovernmental Panel on Climate Change (IPCC). As in previous years, this year's oration has been posted on the ASARC website. ASARC received a grant to support the 2007 Narayanan Oration from the Australia-India Council.

ASARC presented a seminar by Dr To-hai Liou, Professor of Diplomacy at National Chengchi University, Taiwan, Editor of *Taiwanese Journal of Australian Studies*, and Visiting Fellow in the Department of International Relations, RSPAS. Another seminar was presented by Dr Garry Pursell, Visiting Fellow with ASARC, entitled 'Smuggling and the economic welfare consequences of an FTA: A case study of India-Bangladesh trade in sugar'.

ASARC delivered a lecture on the topic, 'Indian economy: Current and future prospects' to the Defence and Strategic Studies Course on South Asia and Beyond. A lecture was presented to the South Asia Update, held at the National Museum of Australia, by the South Asia Research Facility of ARC, La Trobe University. ASARC launched UNESCAP's flagship publication, *The Economic and Social Survey of Asia and the Pacific 2007*. A paper was presented at the 2007 Australasian Meeting of the Econometric Society, entitled 'Inflation targeting in India: Issues and prospects'.

In August, ASARC hosted an international conference on 'The Indian Economy at 60: Performance and Prospects. A Conference to Mark 60 Years of Indian Independence', and included papers from universities in Ahmedabad, California, Canberra, Delhi, Singapore and Tokyo.

PUBLICATIONS

See Divisional publications above.

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INDONESIA PROJECT

The year 2007 was big for the Indonesia Project. It marked the 25th anniversary of Indonesia Updates held at the ANU, the delivery of the inaugural Sadli public lecture in Jakarta, and the year in which there was a major review of the Project commissioned by the major external funding body, AusAID. The 2007 Update, entitled 'Islamic Life and Politics', and coordinated by Greg Fealy and Sally White, was attended by over 400 participants over 2 days in September. A 'mini-update' followed at the Lowy Institute for International Policy in Sydney on 10 September, and the book based on the 2006 Update 'Democracy and Promise of Good Governance' was launched at a day-long seminar in Indonesia, at the Center for Strategic and International Studies (CSIS), in July. The first 'Sadli Lecture' was given by Professor Prema-chandra Athukorala of the ANU and was held in cooperation with the Economic and Social Research Institute of the University of Indonesia on 24 April. The lecture series is in honour of one of Indonesia's most prolific writers on economic matters, as well as a former Minister and renowned teacher. It was attended by a 'Who's Who' of foreign and Indonesian economic researchers and opened by the Minister of Trade, Dr Mari Pangestu. Besides these events, the Project continued to publish the *Bulletin of Indonesian Economic Studies*, which is recognised (based on citations) as one of the major international journals in the development area. Important papers included a comparative paper on China and Indonesia, articles on laws in fisheries and labour, as well as recent economic and political updates. The Project also organised some 25 seminars in 2007 on a wide range of political, economic, social and cultural aspects of recent developments in Indonesia. The sessions are regularly attended by audiences of 20 to 40 people from both on and off campus. Research projects undertaken by Project staff focused on a range of areas including governance, Aceh, Islam, environment, labour and migration, industrial development and global warming. Outreach activities included several briefings to AusAID staff in Canberra and dialogue meetings with the key economic policy-makers in cooperation with the Treasury and Ministry of Finance in Jakarta, in addition to numerous presentations made in the print and electronic media.

PUBLICATIONS

See Divisional publications above.

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Editor, Bulletin of Indonesian Economic Studies

R McLeod, BEng/BA(Melb), PhD(ANU)

Associate Editor

L Drysdale, MA(ANU), DipEd(Melb)

POVERTY RESEARCH CENTRE

The Poverty Research Centre was engaged in research projects in Laos, Thailand and Indonesia. Professor Warr completed a modelling study on the effects of road development on rural poverty incidence in Laos using a 20 sector general equilibrium model of the Lao economy. The results were presented at seminars at ANU, the World Bank and at Arizona State University.

Work was completed on a project funded by the Australian Centre for International Agricultural Research concerning the effects of productivity growth in Thailand and Indonesia, and in particular their effects on poverty incidence. Workshops were held in Bangkok, Thailand, and Bogor, Indonesia on the progress of this work.

Professor Warr also completed a major international study of agricultural protection in developing countries. He was responsible for studies on Thailand (with Archanun Kohpaiboon) and Indonesia (with George Fane). This work is now being extended to general equilibrium analyses of the effects of agricultural protection in these two countries.

PUBLICATIONS

See Divisional publications above.

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