



UNIVERSITY OF TASMANIA

SCHOOL OF ECONOMICS

ANNUAL REPORT

1999

School of Economics
University of Tasmania
GPO Box 252-85
Hobart Tas 7001
Australia

ISSN 0818-0377

About this Report

The 1999 Annual Report of the School of Economics at the University of Tasmania was prepared by **William Coleman** with the secretarial assistance of **Tracy Kostiuk**. It is the fifteenth such report published in its present form. It aims at providing a full report of the research, teaching and community service activities of the School for the use by academia, government and business. This report is available on the World Wide Web. The School's home page is <http://www.comlaw.utas.edu.au/economics>



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1. Overview:

The School

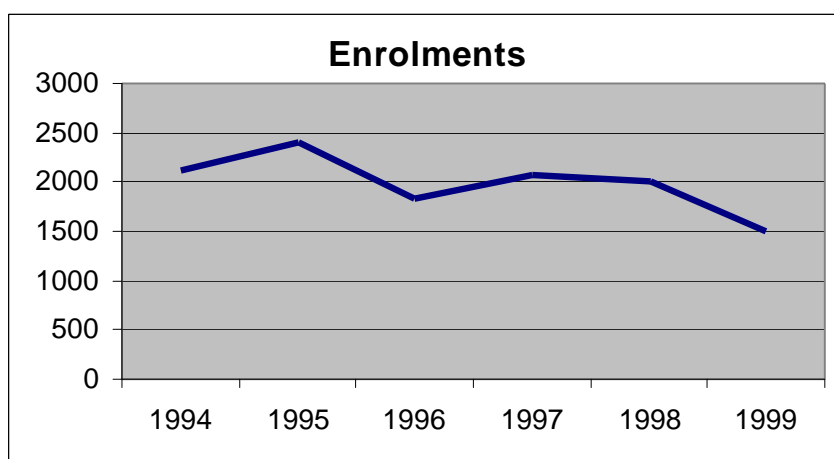
Economics has been examined at the University of Tasmania since 1892. Study of the subject was advanced in 1919 by the creation of the Bachelor of Commerce. In 1920 a chair in economics was inaugurated (the second in Australia), and filled by **DB Copland** at the age of 26. A Bachelor of Economics was instituted in 1949. In 1976 a distinct Department of Economics emerged from the break-up of the old Economics and Commerce Departments.

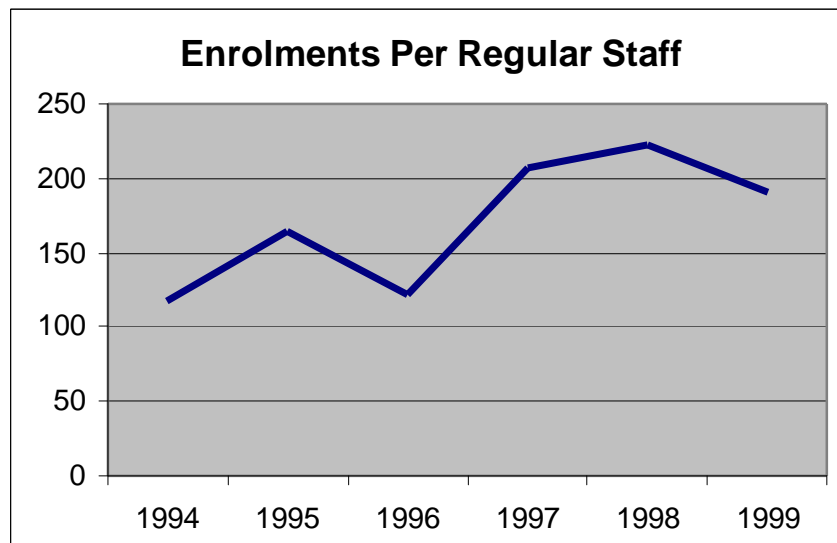
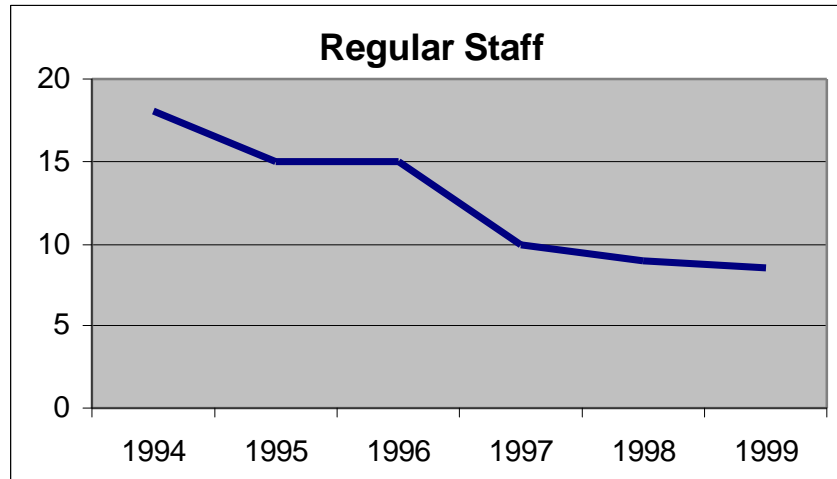
In late 1997 it was decided that the Department of Economics would become a School of Economics, effective 1 January 1998.

As of December 31st 1999 the School had 7.93 regular academic staff, and 5 more academic staff employed on a casual basis.

During 1999 the School had 1509 enrolments in its units, teaching students from at least five undergraduate degrees. It also offers Honours, Masters and Doctors degrees in economics, and teaches part of a Master of Business Administration.

| Year | Enrolments | Regular Staff | Enrolments Per Regular Staff |
|------|------------|---------------|------------------------------|
| 1994 | 2110 | 18 | 117 |
| 1995 | 2408 | 15 | 165.3 |
| 1996 | 1831 | 15 | 122 |
| 1997 | 2083 | 10 | 208 |
| 1998 | 2003 | 8.6 | 232.9 |
| 1999 | 1509 | 7.93 | 190.3 |





The School strives to maintain an environment favourable to research and scholarship; all but one of its staff with confirmed tenure have PhDs, and it has one of the highest rates of journal publication of any Australian economics department. The latest independent analysis of research output finds that the School is rated second of 23 Australian Economics Schools in terms of the median number of pages published in refereed journals, (J Towe and D Wright, “Research Published by Australian Economics and Econometrics Schools; 1988-93”, *Economic Record*, March 1995, 8-17, Tables 2,3).

The School has achieved high academic standards in its teaching: five of the last twelve Tasmanian Rhodes Scholars have emerged from the School of Economics Honours Program. The School’s former students have a distinguished record at senior levels of the business world and government service. The University’s Chancellor, **Michael Vertigan**, **Sir Roland Wilson** (Secretary of the Commonwealth Treasury from 1951-1966) and **Professor JD Pitchford** are past students in the School.

The Head of School’s Review of 1999

The School of Economics at this University has long been recognised for its excellence in teaching and research. It combines quantity with quality in its activities in a manner that makes its contributions quite distinctive. The School of Economics experienced a successful year in 1999 in all the broad areas of its activities, namely, teaching, research, consultancy and community service.

The School exceeded its target EFTSU load of 214 by 5 percent in 1999, the complement of 7.93 staff taught 20 undergraduate and 4 honour units with the emphasis on further extensions of flexible delivery mode. **Cristina Rodriguez** assumed the role of IT support secretary and was responsible for several developments in flexible teaching.

Virginia Horscroft won the School's sixth Rhodes Scholarship in thirteen years, while **Alan Foulkes** was successful in winning the Rhona Hagger Memorial Prize. **Virginia** also achieved first class honours in Economics, along with **Jordi McKenzie**, **Anna Matysek** and **Alan Foulkes** in a class of nine students.

Eight students are enrolled in Research Higher Degrees: **Colin Richardson** (Post Keynesian Economics), **Ameeta Jain** (Innovation), **Paul Blacklow** (Household Consumption Behaviour), **Elkana Ngwenya** (Commercial Fisheries), **Zhang Qing** (Foreign Investment and Growth in China), **Liu Gang** (Water Resource Management in LDC's), **Martin Farley** (Decentralisation of Industrial Relations), **Norton Grey** (Multifactor Models of the Yield Curve). **Sam Tang** graduated with a PhD at the December Graduation Ceremony.

Thirteen staff seminars were conducted in 1999, while seven distinguished speakers delivered papers in the Visiting Speakers program and several staff members delivered seminars in other Universities.

On the research front **Ranjan Ray** continued his ARC Large Grant funded work on "Consumer Behaviour and Implications for Tax Reforms in Australia" and **Ted McDonald** continued his work on a Large ARC Grant for his study of "Public Policy and the Labour Market Settlement of Immigrants in Australia, Canada and the United States". Three staff members were awarded ARC Small Grants in 1999, namely, **William Coleman**, **Jerry Courvisanos** and **Ranjan Ray**.

Seven of the School's staff of 8.6 published or were accepted for publication in the official economics refereed journal literature. The total output was 21 refereed journal articles, 2 book chapters, 5 conference proceedings.

The 1999 L.F. Giblin Memorial Lecture was presented by **Professor Max Corden** on the topic "Do We Still Need Keynesian Economic Policies?".

The School's links with the Tasmanian Community were furthered strengthened through several consultancy projects while **Bruce Page** (Honorary Research

Associate) convened the Wrest Point Economics Challenge for Schools and **Bruce Felmingham's** column on current economic and financial issues appeared fortnightly in the *Sunday Tasmanian*.

The School looks forward to 2000 and the new millennium with renewed confidence.

Bruce Felmingham
Head, School of Economics
December 1999

2. Staff:

Members of the School

Professor:

Ranjan Ray, BA *Calcutta*, MA *Delhi*, PhD *London*.

Readers and Associate Professors:

Bruce S Felmingham, BEd, PhD *Tasmania*.

Senior Lecturers:

Michael Brooks, MEd, Dip Ed, *Monash*, PhD *VPI & SU*.

William Coleman, BEd (Hons), *Sydney*, MSc, PhD *London*.

Jerry Courvisanos, BCom, MCom, DipEd, *UNSW*, PhD *Newcastle*.

Hugh Sibly, BSc ANU, MEd *Monash*, PhD *Melbourne*.

Lecturers:

Sarah Jennings, BA, Pg Dip *Otago*, MA *British Columbia*, PhD *Alberta*.

James Ted McDonald, BA (Hons), *St Francis Xavier*, MCom PhD, *Melbourne*.

Lecturer A's:

Norton Grey, BEd *Tasmania*. MCom *Tasmania*.

Casual Lecturers:

Paul Blacklow, BEd (Hons) *Tasmania*.

Steve Thollar, BSc *Tasmania*, BEd, MEd *New England*, Dip Ed *Tasmania*, MBA *Heriot-Watt*, *Scotland*.

Andrew Elek, AO, BA (Hons), PhD, *Australian National University*.

Ameeta Jain, BA (Hons), MA (Econ), MPhil (Econ), *Delhi*.

John Rees, BEd *Tasmania*, Dip Ed *Tasmania*, BBus *Tasmania*.

Visiting Scholars:

Zhang Qing, MEd, *University of International Bus. and Economics, China.*

Liu Gang, MEd, *Renmin University, China.*

Research Assistants:

Geoff Lancaster, BEd (Hons) *Tasmania.*

Ameeta Jain, BA (Hons), MA (Econ), MPhil (Econ), *Delhi.*

Office Staff:

Sue Abel.

Tracy Kostiuk.

Cristina Rodriguez.

Honorary Research Associates

Harry Bloch, AB *Michigan*, AM, PhD *Chicago.*

Harry Campbell, MA *St Andrews*, PhD, *Queens.*

Andrew Elek, AO, BA (Hons), PhD, *Australian National University.*

Nicolaas Groenewold, MEd *Tasmania*, MA, PhD *Western Ontario.*

Alfred Hagger, BCom *Melbourne*, PhD *London.*

David McDonald, Dip Ag, Dip Ag Tech *Roseworthy*, Grad Dip T *Adelaide*

College, Dip Ag E, MEd *New England*, M Stat, PhD *North Carolina State.*

Bruce Page.

Robert Rutherford, BA, MPhil *Oxford.*

Professor Gerald Gill Firth, 1916-1999

Gerald Firth, who was born in Leeds, England in 1916 and who died in Hobart in 1999, was Professor of Economics in the University of Tasmania for just over 30 years.

He came to Australia in the late 30's, after graduating from University College, London to take up a research assistant's position with the legendary Tasmanian economist, L.F. Giblin who then held the Ritchie Chair of Economic Research at the University of Melbourne. He felt at home immediately and I'm fairly sure that he never seriously considered going back to England.

There were several reasons for this, some predictable, others entirely random. Perhaps the most important of the former was that he soon discovered working with Giblin to be a unique and uplifting experience. Giblin became Gerald's top hero and was to remain so for the rest of his life.

Decisive among the random factors was a remark made by a Sydney taxi driver whom Gerald hired on the day he arrived in Australia. Gerald had become aware before he migrated that we Australians were in the habit of referring to English migrants as 'poms'. He'd also learnt that we were not inclined to allow these poms to patronise us. So having got himself lost and not knowing quite where he wanted to go, he thought it best to tell the taxi driver, by way of explanation, that he (Gerald) was a 'pom' who'd just arrived and so was, inevitably, somewhat confused. The taxi driver's response was: "Don't worry mate; we wus all bloody poms once". Gerald knew straight away that he'd come to the right place!

Like most academic economists Gerald left his university post in the early war years and moved to Canberra where he remained until 1947. During this period he played an active role in the formation of national economic policy and in particular was a central figure in the drafting of the White Paper on Full Employment – a document which was to determine the entire direction of the Chifley government's economic policy in the early post-war years.

Some of the academic economists who'd joined the wartime public service stayed there when the war ended; others returned to university life. Gerald was one of the latter. In 1947 he took up the Chair in the University of Tasmania and was to hold it until he retired in 1978.

The Department which he inherited was badly run-down. Because of the war there'd been no Professor for many years and for all practical purposes, no full-time staff. He got things moving remarkably quickly. By the time I arrived in mid-1952 a new degree was in full swing. The old B.Com. had gone and had been replaced by a three-year B.Ec. with a fourth-year tacked on for a B.Ec.(Hons). Even more remarkable was that

the new degree contained a very strong numerical component. All this was very much ahead of its time.

Not only did Gerald start well; he kept up the pace. When he handed over the Chair after about thirty years his Department was performing as successfully as any in the country and, just as important, was a good deal happier than most of them.

In the 50's and 60's the University's professoriate contained more than its fair share of classic eccentrics. Gerald was perhaps the most outstanding. He astounded the locals when he came to Tasmania in 1947 by continuing to drive his ancient Model T Ford, still powered by war-time "producer-gas". He loved the thought that the property he owned had once belonged to the notorious "gentleman" bush-ranger, Martin Cash; and this, one felt, was probably the main reason he had for buying it in the first place!

Professor Firth (always "Gerald" to those who were privileged to work with him) is survived by his wife, Margaret, three sons, nine grandchildren and four great grandchildren.

Alf Hagger, long-time colleague.

3. Research:

Individual Research Profiles

Paul Blacklow: During 1999 my research continued on investigating the inequality of income vs expenditure, resulting in a revised paper, “A Comparison of Income and Expenditure Inequality Estimates: The Australian Evidence, 1975/76 to 1993/94”, October 1999, **Paul Blacklow** and **Ranjan Ray** currently under submission with the *Australian Economic Review*. My research work with **Dr Bruce Felmingham** and **Zhang Qing** investigating structural breaks in the stationarity and cointegration of real interest rates continued from the previous year resulting in a paper.

Michael Brooks: In 1999 I have worked on three issues. I have continued working on the relationship between private and public enforcement of social norms. I have examined the welfare significance of availability cascades. Finally, I examined the theory of weakest-link public goods.

William Coleman: In 1999 I signed a book contract with Macmillan concerning my research into anti-economics. I signed another contract with Macleay Press regarding Economic Rationalism in Australia. I also began research into a novel method of measuring the impact of technological change on unemployment. The method is being applied to Australia, the G7 countries and 6 smaller European countries. 1999 also saw the initiation of the Tasmanian Economists project, with **Ian Castles**, **Michael Roe** and **Alf Hagger**. This projects aims to give a full and integrated account of the life and work of four Tasmanian economists, LF Giblin, DC Copland, Brigden and Roland Wilson.

Jerry Courvisanos: (i) Consolidating research based on book “Investment Cycles in Capitalist Economies: A Kaleckian Behavioural Contribution”. Published papers have come out in history of economic thought journal, edited book of readings and at conferences. This research is based on extending Kalecki's work on cycles and growth into the area of innovation through the evolutionary process and behavioural analysis. Two Small ARC Research Grants (1997-98 & 1998-99) are supporting this research: “Technological Innovation and the Volatility of Business Fixed Investment”, with **Ms Ameeta Jain** as research assistant. (ii) Extending above research into policy issues of investment planning, innovation and sustainable development. This involves analysis related to information technology innovation, regional economy regeneration and environmental sustainable development. Faculty Research Development Grant (1997-98) is supporting this research: “Investment, Innovation and Sustainable Development”, with **Ms Ameeta Jain** as research assistant. (iii) Problem-based learning in economics, especially in relation to its links to business education through entrepreneurship and innovation; and the use of information technology.

Bruce Felmingham: My research continued on Labour Mobility with **Ted McDonald**. The output was published jointly with Ted, while research on the degree of international integration of the Australian capital market with **Qing Zhang** and **Tanya Healy**, the output of this research was also accepted for publication. Work on FDI and the growth of China's provinces and cities was commenced in collaboration with **Qing Zhang**. The results were presented at the APIACO Conference in Beijing in September 1999.

Norton Grey: This year I continued working on my thesis under the Supervision of **Dr Bruce Felmingham**.

Sarah Jennings: This year saw my continued involvement in the *Cooperative Research Centre for Sustainable Production Forestry* (CRC). This involves developing a private timber supply model and working collaboratively with researchers from the *ANU Department of Forestry* and our own *Agricultural Science Department* to develop policies to encourage farm forestry. A new project in collaboration with *Forestry Tasmania* and **Professor Harry Campbell** on Estimating Non Timber Benefits in the Southern Forests of Tasmania is also progressing.

Geoffrey Lancaster: In 1999 I continued to assist **Professor Ranjan Ray** with his research activities. This has included work on inequality, poverty, child labour and child health. Results from this research, supported by a Large ARC Grant, appeared in 1999 in *Economic Development and Cultural Change*, and the *Review of Income and Wealth*.

James Ted McDonald: In 1999, I continued to work with **Dr Chris Worswick** on the labour market experiences of immigrants to Australia, Canada and the United States, with the financial support of an ARC Large Grant. I also continued work on a number of research projects in collaboration with other researchers: labour productivity and international competition (with **Harry Bloch**), job security and job displacement (with **Jeff Borland**), and the educational attainment of first and second generation immigrants (with **Buly Cardak**).

Bruce Page: Coordinating the *1999 Wrest Point Economics Challenge for Tasmanian Schools* took a large segment of time in the early part of the year. In addition, relocation of the Resource Centre and Data Base to a more convenient site including categorising and indexing proved to be quite an involved operation. This work continues, as also liaison with local government authorities.

Ranjan Ray: I returned from Study Leave towards the end of January, 1999. On the teaching front, I lectured in 4 units, consisting of two undergraduate units, and two Honours units. During my study leave, I prepared material for a new Honours unit called "Development Economics" that I lectured to the Honours students in the first semester. The material delivered in this unit provided the basis for the Honours dissertation of **Virginia Horscroft**, the 1999 Rhodes Scholar, that I supervised in the

second semester of 1999. On the research front, I completed (with the help of the RA, **Geoffrey Lancaster**) work on the three year ARC (Large) research project (1996-99) entitled “Consumer Behaviour and its Implications for Tax Reforms in Australia”. Simultaneously, I started work on a ARC (small) project on “Inequality Comparisons Between Countries” **Mr Adrian Breen** was employed as a RA to work on this one year (1999) project. The results from these and related research appeared in 1999, as refereed papers, in *Oxford Economic Papers*, *Economic Development and Cultural Change*, and the *Review of Income and Wealth*. Three more papers from this and other ongoing research were accepted for publication in *The World Bank Economic Review*, the *Journal of Population Economics*, and the *Journal of International Development*, and are due to appear in print in 2000. During 1999, I also started joint research with **Dr Pushkar Maitra** of Sydney University in a new area, namely, migration and remittances. A paper from this ongoing research is currently being refereed for journal publication. Some of my research results were also presented at International Conferences. These included the Australasian Meeting of the Econometric Society in Sydney in July, 1999, The World Congress of the International Economic Association (IEA) held in Buenos Aires, Argentina in August, 1999, and the Meeting of the Modelling and Simulation Society of Australia and New Zealand, held in Hamilton, New Zealand in December, 1999. Of these, the paper presented at the Buenos Aires meeting has been selected for publication in a volume to be brought out by the International Economic Association. Other activities included refereeing for *Econometrica*, *Economic Record*, and *The Review of Income and Wealth*, and acting as a discussant at the PhD Conference held at the UWA, Perth in November, 1999. In addition, I was involved, as the first named Chief Investigator, in submitting a (Large) ARC proposal in 1999. Though the application was unsuccessful, the University of Tasmania identified it as one that “just missed being successful” and awarded me a grant of \$19,000 to continue my research in 2000. I was, also, awarded a small ARC grant, for research in 2000, in the area of commodity taxes.

Hugh Sibly: During 1999 the main focus of my research was continuing a project aimed at identifying the implications of the psychological concept of loss aversion for wages, pricing and macroeconomics. This work was conducted in collaboration with **Professor Ian McDonald**, University of Melbourne. Work continued on a project to identify the efficient use of a natural resource for recreational use.

Publications

Chapter in Books

- Coleman, W., “The Current State of Anti-Economics”, Chapter 9 in S. P. Dahiya (ed), *The Current State of Economic Science*, Jan Tinbergen Institute of Development Planning, **1**, 133-148.
- McDonald, J.T., “Profitability in Australian Manufacturing” Chapter 5 in P. Dawkins, M. Harris and S. King (eds), *How Big Business Performs: Private Performance and Public Policy*, Allen & Unwin, Melbourne, 55-65.

Papers in Refereed Journals

- Beeson, D. and W. Coleman, (1999), “When Political Economy Crossed the Sea: An Unpublished Paper by Maupertuis on Bimetallism”, *History of Political Economy*, **31**(2), 317-335.
- Brooks, M., (1997), “The Tax Unit and Rate Structure: A Criticism of the Orthodoxy”, *Public Finance (Finances Publiques)*, **1**(52), 22-36 (published in 1999).
- Brooks, M., (1999), “Friedman’s Theory of Income Redistribution Up After being Down for the Count”, *Public Choice*, **99**, 177-184.
- Brooks, M., (1999), “Politics as the Art of Confined Compromise: A Comment on Boudreaux and Lee”, *The Cato Journal*, **19**(1), 171-180.
- Coleman, W., (1999), “A Brief History of the Australian Notes Issue Board, 1920-24”, *The Cato Journal*, **19**(1), 161-170.
- Coleman, W., (1999), “Economic Rationalism and Its Discontents”, *Agenda*, **6**(3), 271-277.
- Courvisanos, J., (1999), “The Dissent of Economists”, *History of Economics Review*, **29**, 112-20.
- Courvisanos, J.,(1999) “Region in Transition: Schumpeterian Road to Recovery in Tasmania”, *Journal of Economic and Social Policy*, **4**(1), 45-62.
- McDonald, J.T., (1999), “The Determinants of Firm Profitability in Australian Manufacturing”, *Economic Record*, **75**(229), 115-26.
- McDonald, J.T., and H. Bloch, (1999), “The Spillover Effects of Industrial Action on Firm Profitability”, *Review of Industrial Organization*, **15**(2), 183-200.
- McDonald, J.T. and B.S. Felmingham, (1999), “Voluntary and Involuntary Labour Mobility of Australian Men over the Business Cycle”, *Australian Bulletin of Labour*, **25**(2), 141-158.

- McDonald, J.T. and C. Worswick, (1999), “Wages, Implicit Contracts, and the Business Cycle: Evidence from Canadian Micro Data”, *Journal of Political Economy*, **107**(4), 884-892.
- McDonald, J.T. and C. Worswick, (1999), “The Earnings of Immigrant Men in Australia: Assimilation, Cohort Effects, and Macroeconomic Conditions”, *The Economic Record*, **75**(228), 49-62.
- Meenakshi J.V. and R. Ray, (1999), “Regional Differences in India’s Food Expenditure Pattern: A Complete Demand Systems Approach”, *Journal of International Development*, **11**, 47-74.
- Ray, R., (1999), “Marginal and Non-Marginal Commodity Tax Reforms with Rank Two and Rank Three Demographic Demand Systems”, *Oxford Economic Papers*, **51**, 689-712.
- Ray, R., G. Lancaster and R. Valenzuela, (1999), “A Cross Country Study of Poverty and Inequality on Unit Record Household Budget Data”, *Economic Development and Cultural Change*, **48**(1), 177-208.
- Ray, R., G. Lancaster and R. Valenzuela, (1999), “A Cross Country Study of Equivalence Scales and Expenditure Inequality on Unit Record Household Budget Data” *The Review of Income and Wealth*, **45**(4), 455-482.

Book Reviews

- Coleman, W., (1999), “Asian Contagion. The Causes and Consequences of a Financial Crisis (by Karl R. Rogers)”, *Asia Pacific Economic Literature Review*, **13**(2), 62-3.
- Coleman, W., (1999), “The Myth of Adam Smith (by Salim Rashid)”, *History of Economics Review*, **29**, 142-44.
- Coleman, W., (1999), “Say’s Law and the Keynesian Revolution (by Steven Kates), *History of Economics Review*, **29**, 144-45.

Forthcoming Papers , Chapters in Books and Reviews

- Coleman, W., “The Strange Laissez-Faire of Alfred Russel Wallace: The Connection Between Natural Selection and Political Economy reconsidered”, forthcoming in *Darwinism and Evolutionary Economics*, Edward Elgar.
- Coleman, W., “The Significance of John Locke’s Medical Studies for his Economic Thought”, *History of Political Economy*, forthcoming, 2001.
- Courvisanos, J., “Regional Economic Decay and Regeneration Under Structural Change”, Chapter 4 in Falk, I. (ed.) *The Dead Centre: Regional Australia in Crisis*, Melbourne: NCVER, forthcoming.

- Courvisanos, J., "IT Investment Strategy for Development: An 'Instrumental Analysis' Based on the Tasmanian and New Brunswick Information Technology Strategies", forthcoming in *Prometheus*.
- Felmingham, B.S. Qing Zhang and T. Healy, "The Interdependence of Australian and Foreign Real Interest Rates", forthcoming in *Economic Record*.
- McDonald, J.T., "Industrial Dispute Tactics in Australian Manufacturing", forthcoming in *Industrial Relations*.
- Ray, R., "Poverty and Expenditure Pattern of Households in Pakistan and South Africa: A Comparative Study", forthcoming in *Journal of International Development*.
- Ray, R., "Analysis of Child Labour in Peru and Pakistan: A Comparative Study", forthcoming in *Journal of Population Economics*.
- Ray, R., "Child Labour, Child Schooling and their Interaction with Adult Labour: The Empirical Evidence for Peru and Pakistan", forthcoming in *The World Bank Economic Review*.

Papers and Proceedings of Conferences

- Felmingham B.S. and Q. Zhang, "The Relationship Between Foreign Direct Investment and China's Provincial Export Trade", paper presented at the 1999 Asian Region International Association of Cooperating Organisations (ARIACO) Conference, Beijing, China, October, pp28.
- McDonald, J.T., "Immigrant Benefit Receipt: Sensitivity to Choice of Survey Years and Model Specification", paper presented at the Australasian Meeting of the Econometric Society at the UTS (ESAM99) Conference, Sydney, July 1999.
- Ray, R., "A Cross Country Comparison of Child Nutrition and Investigation of its Demographic Determinants", paper presented at the Australasian Meeting of the Econometric Society at the UTS (ESAM99), Sydney, July, 1999.
- Ray, R., "Child Labour, Child Schooling and their Interaction with Adult Labour: The Empirical Evidence and Some Analytical Implications", paper presented at the Twelfth World Congress of the International Economic Association in Buenos Aires, Argentina, August, 1999.
- Ray, R., "Poverty, Household Size and Female Headed Households in India", paper presented at the Conference of the Modelling and Simulation Society of Australia and New Zealand, Hamilton, New Zealand, December, 1999.

Other Conference Papers

Courvisanos, J., “Enterprise Development: Strategic Collaboration for Economics and Business”, paper presented at the Sixth EDINEB Conference, The Norwegian School of Economics and Business Administration, Bergen, Norway, 23-26 June 1999.

Courvisanos, J., “Michal Kalecki as a Behavioural Economist: Implications for Modern Evolutionary Economic Analysis”, paper presented at the Kalecki Centenary Anniversary Conference, Polish Economic Society, Warsaw, Poland, 27-28 September 1999.

Courvisanos, J., “Michal Kalecki as a Behavioural Economist: Implications for Modern Evolutionary Economic Analysis”, paper presented at the Michal Kalecki Conference (in honour of the centenary of his birth), Leeds University Business School, University of Leeds, U.K., 13 November 1999.

Other Papers

Courvisanos, J., “Ecotourism in Costa Rica: An Economic Framework of Analysis”, submitted to *Tourism Economics*.

Courvisanos, J., “Optimise Vs Satisfice: The Uncontested Battle of Investment Planning for Sustainable Development”, submitted to *International Journal of Sustainable Development*.

Jennings, S. and A. Matysek, “Private Forest Timber Supply Modelling – Methodology Review”, Technical Report No. 13 (January 1999), Cooperative Research Centre for Sustainable Production Forestry (CRC), Hobart.

Publications of Honorary Research Associates

Harry Bloch:

“Nelson and Winter’s Analysis of the Corporation” in Phil O’Hara (ed), *Encyclopedia of Political Economy* (London: Routledge, 1999): 785-788, (with Gary Madden).

“Pricing” in Phil O’Hara, (ed), *Encyclopedia of Political Economy* (London: Routledge, 1999): 902-905.

“Spillover Effects of Industrial Action on Firm Profitability”, *Review of Industrial Organization*, **15**, (September 1999): 183-200 (with J. Ted McDonald).

“Cyclical and Competitive Influences on Pricing in Australian Manufacturing”, *Economic Record*, **75**, (September 1999): 268-279 (with Michael Olive).

“Does Foreign Trade Substitute for Domestic Competition Policy?”, *Economic Papers*, **18**, (September 1999): 1-18.

“Technical Change and Total Factor Productivity Growth - A Study of Singapore’s Manufacturing Industries”, *Applied Economics Letters*, **6**, (October 1999): 697-701 (with Sam Hak Kan Tang).

Forthcoming Publications

“Steindl’s Contribution to the Theory of Industrial Organisation”, *Australian Economic Papers*, **39**, (March 2000): 92-107.

“Schumpeter and Steindl on the Dynamics of Competition”, *Journal of Evolutionary Economics*, forthcoming.

“Whither the Terms of Trade? An Elaboration of the Prebisch-Singer Hypothesis”, *Cambridge Journal of Economics*, forthcoming (with David Sapsford).

“The Dynamics of Industrial Concentration in Australian Manufacturing”, *International Journal of Industrial Organization*, forthcoming (with Mita Bhattacharaya).

“Adjustment of Profits: Evidence from Australian Manufacturing”, *Empirica*, forthcoming (with Mita Bhattacharaya).

“Estimating Technical Change, Economies of Scale and Degree of Competition for Manufacturing Industries in Singapore”, *Singapore Economic Review*, forthcoming (with Sam Hak Kan Tang).

“Economies of Scale and Scope in Australian Telecommunications”, *Review of Industrial Organization*, forthcoming (with Gary Madden and Scott Savage).

Creating an Internationally Competitive Economy, (London, Macmillan, forthcoming), (edited with Peter Kenyon).

“Introduction”, in Harry Bloch and Peter Kenyon, (eds), *Creating an Internationally Competitive Economy*, (London, Macmillan, forthcoming), (with Peter Kenyon).

“The Meaning and Measurement of International Competitiveness”, in Harry Bloch and Peter Kenyon, (eds), *Creating an Internationally Competitive Economy*, (London, Macmillan, forthcoming), (with Peter Kenyon).

“Foreign Trade and Market Power: Implications for Competition Policy”, in Harry Bloch and Peter Kenyon, (eds), *Creating an Internationally Competitive Economy*, (London, Macmillan, forthcoming).

“Steindl’s Analysis of Firm Growth and the Tendency Toward Industry Concentration”, in Tracy Mott and Nina Shapiro, (eds), *The Dynamics of Capitalist Development: Essays on the Economics of Josef Steindl*, (London, Routledge, forthcoming).

Harry Campbell:

“Modeling the Spatial-Dynamics of the US Purse Seine Fleet Operating in the Western Pacific Tuna Fishery”, with A.J. Hand, *Canadian Journal of Fisheries and Aquatic Sciences*, **56** (7), 1999, pp. 1266-1277.(*SCI Impact Factor 1.324*).

Andrew Elek:

Elek, A. and D. Wilson, (1999), “The East Asian Crisis and International Capital Markets”, *Asian-Pacific Economic Literature*, **13**(1).

Elek, A, (1999), “Open Regionalism Going Global: APEC and the New Transatlantic Economic Partnership”, *Pacific Economic Papers*, **286**.

Nic Groenewold:

Groenewold, N. and A. J. Hagger, “A ‘Lilien’ Natural Rate Series for Australia: A Reply to McDonald and Debelle and Lowe”, *Economic Record*, **75**(229), June 1999, 173-176.

Groenewold, N., “Employment Protection and Aggregate Unemployment”, *Journal of Macroeconomics*, **21**(3), Summer 1999, 619-630.

Groenewold, N. and P. Fraser, “Time-Varying Estimates of CAPM Betas” *Mathematics and Computers in Simulation*, **48**(4-6), June 1999, 531-539.

Yang, J., MJ. Tcha and N. Groenewold, “The Determinants of Foreign Direct Investment in Australia”, *Economic Record*, **75**(231), December 1999, 13-22.

Fraser, P. and N. Groenewold, “The Effects of Exchange Rate Shocks on the Volatility of Australian Sector Excess Returns: A Note”, *Applied Economics Letters*, **7**(2), February 2000, 77-82.

Fraser, P. and N. Groenewold, “Mean Variance Efficiency, Aggregate Shocks and Return Horizons”, *Manchester School of Economic and Social Research*, forthcoming 2000.

Groenewold, N., and P. Fraser, “Forecasting Beta: How Well Does the ‘Five-Year Rule of Thumb’ Do?”, *Journal of Business Finance and Accounting*, forthcoming 2000.

Groenewold, N. and A. J. Hagger, “The Natural Rate of Unemployment in Australia: Estimates from a Structural VAR”, *Australian Economic Papers*, forthcoming 2000.

Refereeing Activity

During 1999 members of the School accepted invitations from the following journals to referee submissions:

Australian Bulletin of Labour
Australian Economic Papers
Australian Economic Review
Australian Journal of Regional Studies
Econometrica
Economic Record
Journal of Industrial Relations
Journal of Institutional and Theoretical Economics
Review of Income and Wealth
Structural Change and Economic Dynamics

The School's Discussion Paper Series

The School's Discussion Papers are mailed free on exchange, twice per annum. Single copies can be obtained at the following charges: within Australia \$7.50, Overseas by surface mail A\$10.00, postage included. Please send order to the School of Economics, University of Tasmania GPO Box 252-85, Hobart, Tasmania, 7001. The Discussion Papers are available on the World Wide Web. The School's home page is <http://www.comlaw.utas.edu.au/economics>.

- 1999-01** "Poverty, Household Size and Child Welfare in India":
Ranjan Ray
- 1999-02** "The Stability of Real Interest Rates in Australia: 1975 to 1997":
Bruce Felmingham and Peter Mansfield
- 1999-03** "Immigrant Assimilation in a Regulated Labour Market: Unemployment of Immigrant Men in Australia":
James Ted McDonald
- 1999-04** "The Strange 'Laissez-Faire' of Alfred Russel Wallace: The Connection Between Natural Selection and Political Economy Reconsidered":
William Coleman
- 1999-05** "A Comparison of Income and Expenditure Inequality Estimates: The Australian Evidence: 1975/76 to 1993/94":
Paul Blacklow and Ranjan Ray
- 1999-06** "The Efficient Recreational Use of a Natural Resource":
Hugh Sibly

The School's Seminar and Visiting Speakers Program

Seminars

- 5 March **Bruce Felmingham**, "Who is the World's Financial Leader?"
- 19 March **Paul Blacklow**, "Estimating Australian Non-Asset Disposable Income".
- 9 April **James Ted McDonald**, "Immigrant Benefit Receipt: Sensitivity to Choice of Survey Years and Model Specification".
- 16 April **Jerry Courvisanos**, "Region in Transition, Schumpeterian Road to Recovery in Australia".
- 30 April **Norton Grey**, "The Multifactor Causes of Interest Rates".
- 21 May **Colin Richardson**, "Using Post-Keynesian Dynamic Models to Investigate the Traverse",
- 28 May **Sarah Jennings**, "The Economics of Private, Non-Industrial Timber Supply".
- 4 June **Ranjan Ray**, "Analysis of Child Labour in Peru and Pakistan: A Comparative Study".
- 13 August **Hugh Sibly**, "The Optimal Recreational Use of a Natural Resource".
- 20 August **Bruce Felmingham**, "The Degree of Australia's Global Capital Market Integration".
- 27 August **Geoff Lancaster**, "A Cross Country Study of Equivalence Scales and Expenditure Inequality on Unit Record Household Budget Data"
- 24 September **Zhang Qing**, "FDI and China's Provincial Exports: A Causality Test".
- 8 October **William Coleman**, "Thoughts on the Russian Reform Process".

Visiting Speakers

- 26 March **Dr Hafiz Akhand (University of Regina, Canada)**, “Imperfect Monitoring, Optimal Tariff Lobbying, and the Free Rider Problem”.
- 23 April **Professor John Livernois (University of Guelph, Canada)**, “Was Hotelling Right? Depletion Effects and the Scarcity Rent Path”.
- 7 May **Dr Nic Groenewold (University of Western Australia)**, “The Natural Rate of Unemployment in Australia: Measurement and Some Policy Implications”.
- 6 August **Dr Mark Harris (MIAESR)**, “A Model for Ordered Data with Digit Preferencing”.
- 3 September **Dr Mardi Dungey (LaTrobe University)**, “Contagion in the East Asian Currency Crisis”.
- 17 September **Professor Ian McDonald (University of Melbourne)**, “Ageing, Immigration and Optimal National Saving in Australia”.
- 22 October **Dr Lisa Cameron (University of Melbourne)**, “Alcohol, Cannabis and Tobacco: Substitutes or Complements?”

Seminars at Other Universities

- Coleman, W., “Anti-Economics”, Department of Economics, Queen Mary College, UK, 27 May 1999.
- Coleman, W., “How Rational Expectations Slams the Brakes on the Multiplier Accelerator”, Department of Economics, University of Sheffield, UK, 26 May 1999.
- Coleman, W., “Anti-Economics”, Department of Economics, Duke University, UK, April 8 1999.
- Courvisanos, J., “Enterprise Development: Strategic Collaboration for Economics and Business”, School of Management, Heriot-Watt University, Edinburgh, Scotland, UK, 5 November 1999.
- Courvisanos, J., “Michal Kalecki as a Behavioural Economists: Implications for Modern Evolutionary Economic Analysis”, MERIT Research Centre Seminar, Maastricht University, Maastricht, The Netherlands, 14 September 1999 and LATAPSES-CNRS Research Centre Seminar, Universite de Nice - Sophia Antipolis, Nice, France, 2 December 1999.
- Felmingham, B.S., “Recent Evidence Relating to the Modelling Structural Breaks in International Time Series”, Nanki University, Tianjsing, Peoples Republic of China (PRC), October 20, 1999.
- McDonald, J.T., “Immigrant Assimilations in a Regulated Labour Market: Unemployment of Immigrant Men in Australia”, paper presented at the University of Melbourne, Monash and LaTrobe.

Dr Felmingham was invited by the Commonwealth Economic Development Association to attend the Association of Regional Industrial Associations (ARIACO) Conference in Beijing during October 1999. Dr Felmingham was also invited to Nanki’s University’s 80th Anniversary, where he delivered a seminar and gave several lectures to undergraduate students.

Postgraduate Theses

Theses Currently Supervised

| Supervisor | Student Name | Degree | Title |
|-------------------|------------------|--------|---|
| Jerry Courvisanos | Colin Richardson | PhD | “Using Post-Keynesian Dynamic Models to Investigate the Traverse” (Tasmanian Government Strategic Development Scholarship holder). |
| Jerry Courvisanos | Ameeta Jain | PhD | “Innovation, Investment and Economic Growth”. |
| Ranjan Ray | Paul Blacklow | PhD | “Australian Household Consumption Behaviour”. |
| Sarah Jennings | Elkana Ngwenya | PhD | “An Analysis of Commercial Fishing Patterns in Australia’s Northern Prawn Fishery and their Implications for Management”. |
| Bruce Felmingham | Zhang Qing | PhD | “Foreign Factor and the Economic Growth in Provincial China”. |
| Bruce Felmingham | Liu Gang | PhD | Water Resources Management in Developed and Developing Countries: A Comparison Analysis |
| Bruce Felmingham | Martin Farley | MA | “Decentralisation in the Industrial Relations Framework – The Impact on and Consequences for Productivity and Income Distribution”. |
| Bruce Felmingham | Norton Grey | PhD | “Multifactor Models of the Yield Curve”. |

Research Students

Doctoral and Masters Students

Paul Blacklow: During 1998, I have continued my PhD Studies into Australian Consumption behaviour and the consequent effects of the Income Distribution, under the supervision of Professor **Ranjan Ray**. This year I have been concentrating on inequality and the dual approach of solving inter-temporal utility maximisation problems.

Martin Farley: The focus of my thesis is the determination of the impact of Enterprise Bargaining (and decentralisation of the industrial framework) on productivity within industry sectors and income distribution. This is designed to determine whether the potential of further decentralisation will produce optimal results. Determination of a relationship between EBA density and productivity will provide a basis to model the impact of significant Agreement Elements (scope & quantum) on changes in productivity. The distribution of surplus from improvement in productivity combined with strategic influences on the performance of a sector and individual enterprises will be analysed to determine factors affecting that distribution. This will support the development of conclusions relating to the effectiveness of the industrial decentralisation policy on productivity and income distribution.

Elkana Ngwenya: I continued research on Commercial Fishing Patterns in Australia's Northern Prawn Fishery. The research was focussed on Markov modelling of vessel movement, multinomial choice models of fishing ground and a Seemingly Unrelated Regressions (SUR) explanation of the choice of fishing ground. The results of these models have been tested against results from ARIMA models. The results suggest that Markov models in conjunction with SUR or MNL offer reasonable long term predictions of fleet movement.

Colin Richardson: My thesis is titled "Using Post-Keynesian Dynamic Models to Investigate the Traverse" and I presented one seminar (same title) to the School of Economics by videolink during 1999. Seven of my proposed 11 chapters will involve the construction and operation of a nested series of five dynamic theoretical mathematical models of a closed economy with no government. Following feedback from my supervisors (**Dr Jerry Courvisanos** and **Dr Hugh Sibly**) after the seminar, I scaled Model A back to 12 equations and it now solves correctly for the results expected from it. Model A is the launching pad for the series of five models and it occupies all of Chapter 4, which is complete. Chapter 5 is now being written to describe the model's traverse behaviour. Partial drafts of three introductory chapters, the appendix and the bibliography now exist. The research is on track for submission of my thesis to examiners towards the end of 2001.

Zhang Qing: I have been working on my PhD study in 1999. My proposed title for the PhD dissertation is "Foreign Factor and the Economic Growth in Provincial China"

which is under the supervision of **Dr Bruce Felmingham**. I have constructed one Chapter entitled China's Development Overview which describe the history of China's development using Rostow's stage of development and China's development path including transition from planned economy to market economy. I have completed an estimation of causality upon China's provincial data of foreign direct investment (FDI) and export using Granger causality methodology. This causality test which aim at explaining the relationship between FDI and export in provinces and cities of China after 1978 is regarded as a preliminary step for my growth model. The test results are interesting and have some policy implications. It's my pleasure to attend the PhD conference in Economics and Business which is held on 3-5 November 1999 in Perth. A paper titled "FDI and China's Provincial Exports: A causality Test" under the supervision of **Dr Felmingham** was presented. The presentation was successful and some good feedback obtained from the discussants and attendant such as using Sims causality methodology to confirm the Granger test results. In 1999, in addition to some tutoring work, I am involved in one research paper with **Dr Felmingham** and **Tanya Healy** "Interdependence of Australian and Foreign Real Interest Rates" which is accepted for publication by *Economic Record*. I also did part of the consultancy work for **Dr Felmingham**. The job is an evaluation of the cost effectiveness of a two-tiered tariff pricing system for Clarence Water Services

Liu Gang: I have been working on my PhD thesis entitled "Water Resources Management in Developed and Developing Countries: A Comparison Analysis". I will explore areas such as the politics of water resource management, institutional reform, allocation of water rights, water evaluation and environmental issues. My case study will be based on the Tarim Basin Project in China, the Murray and Darling Basin and other projects from developed and developing countries. Finally I hope to examine the advantages and disadvantages of water resource management systems and models in the different cases and provide water resource management policy recommendation to developing countries.

Sam Hak Kan Tang: I finished my PhD thesis on "Measurement of Technical Change - A Case Study of Manufacturing Industries in Singapore". I graduated on 13th December 1999.

The 1999 PhD Conference in Economics and Business

Professor Ranjan Ray and PhD student Zhang Qing from the School of Economics, University of Tasmania attended the 1999 PhD Conference in Economics and Business.

This was held at the University of Western Australia in Perth from 3-5 November 1999. It was the twelfth in this series of conferences and is a joint venture between the Economic Research Centre at the University of Western Australia and the Centre for Economic Policy Research at the Australian National University.

Thirty-two students presented papers, twenty from Australian universities, three from the UK and one from the USA.

Professor Ranjan Ray was the discussant for a paper entitled “Two Approaches to International Comparisons of Real Income”, by Robert Ackland.

Zhang Qing presented a paper entitled “FDI and China’s Provincial Exports, a Causality Test”, which is to explain the relationship between FDI in China’s provinces and cities and export from these. Using data sets from 1983 to 1998. The model deals with the concentration of FDI in eastern seaboard provinces following China’s adoption of its open door policy in 1978.

Honours Dissertations

- Malcolm Beattie** “Network Access for Embedded Generation: Theory and Application”, Supervisor: **Dr Michael Brooks**
- Alan Foulkes** “Youth Unemployment in Australia: A Study of State Dependence”, Supervisor: **Dr Ted McDonald**
- Michael Harkness** “Commodity Price Fluctuations and Sharemarket Volatility: An Exploration”, Supervisor: **Dr Bruce Felmingham**
- Virginia Horscroft** “How Does Maternal Schooling Affect Child Height? Ethnic Differences in South Africa”, Supervisor: **Professor Ranjan Ray**
- Anna Matysek** “A CGE Analysis of Carbon Taxation in the European Community”, Supervisor: **Dr John Madden**
- Alison McClenaghan** “The Spillover Effects of Advertising in the Tasmanian Tourism Industry”, Supervisor: **Dr Hugh Sibly**
- Jordi McKenzie** “Interest Parity Relationships and Risk Premia on the Australian Dollar 1985-99”, Supervisor: **Dr Bruce Felmingham**
- Lisa Short** “The Determinants of Currency Crises”, Supervisor: **Dr Bruce Felmingham**
- Paula Walker** “The Australian Wage Distribution, 1982-1996: A Shorrocks’ Inequality Decomposition Approach”, Supervisor: **Mr Paul Blacklow**

Research Grants

Large ARC Grants

McDonald, JT, C Worswick and C Beach, “Public Policy and the Labour Market Settlement of Immigrants in Australia, Canada and the United States”, 1999-2001, \$85,000.

Ray, R., “Consumer Behaviour and its Implications for Tax Reforms in Australia”, 1997-1999, \$125,000.

Small ARC Grants

Coleman, WO, “An Investigation of the Impact of Technological Changes on Unemployment Rates in the Major 7 Developed Economies and Australia”, 1999, \$3655.

Courvisanos, J, “Technological Innovation and the Volatility of Business Fixed Investment – Stage 2”, 1999, \$4600.

Ray, R, “Inequality Comparisons Between Countries on Unit Record Data”, 1999, \$9500.

Prizes

Ted McDonald – Teaching Merit Certificate

4. *Teaching:*

Units Offered in 1999

First Year

| | |
|--------|--------------------------------|
| BEA110 | Economics for Business |
| BEA130 | Foundations of Economic Policy |
| BEA140 | Quantitative Methods 1 |

Second Year

| | |
|--------|--|
| BEA200 | Intermediate Microeconomics |
| BEA210 | Australian Political Economy |
| BEA211 | The Asia Pacific Economies: Tigers |
| BEA220 | Intermediate Macroeconomics |
| BEA235 | Thinking Strategically: The Competitive Edge in Everyday Life & Business |
| BEA240 | Quantitative Methods 2 |
| BEA241 | Business Methods for Finance |
| BEA242 | Introduction to Econometrics |

Third Year

| | |
|--------|---|
| BEA300 | Microeconomic Theory and Policy |
| BEA301 | Resource Economics |
| BEA302 | Economics, Management and Organisation |
| BEA303 | Australia & the Asia-Pacific Economies: Trade Principles & Policy |
| BEA304 | Financial Economics |
| BEA305 | Industrial Organisation |
| BEA306 | The Economics of Human Resources |
| BEA320 | Macroeconomic Theory and Policy |
| BEA321 | Banking and Financial Institutions |
| BEA342 | Econometrics |
| BEA326 | Entrepreneurship and Innovation |

Honours Year

| | |
|--------|-----------------------|
| BEA400 | Microeconomics |
| BEA404 | Public Economics |
| BEA420 | Macroeconomics |
| BEA450 | Development Economics |

Scholarships and Prizes

The Rona Hagger Memorial Prize

The Rona Hagger Prize of \$1000 was awarded in 1999 to **Mr Alan Foulkes**, a BEc (Hons) student.

The Rona Hagger Prize is awarded each year to the student who has achieved the best results in an undergraduate degree which has included a major sequence from either Economics, Political Science, Psychology or Sociology.

The Rona Hagger prize commemorates the first professional social welfare officer in Tasmania. Rona Hagger (1920-1984) began her work in Tasmania with her appointment in 1945 to the Hobart office of the Australian Red Cross, where she was concerned with care of ill and disabled former service men. In 1952, after studying at the LSE, she returned to Tasmania to become a psychiatric social worker. Over the next 25 years she was to become extensively involved in the social aspects of psychiatric illness. As president of the Tasmanian branch of the Australian Association of Welfare Workers she oversaw the establishment of social work profession in the state. By the end of her life there were 200 professional social workers in Tasmania.

Rhodes Scholar

Ms Virginia Horscroft, a BEc (Hons) is the Tasmanian's Rhodes Scholar for the year 2000. In her undergraduate studies she won 15 academic prizes and scholarships including a prestigious Tasmania National Undergraduate Scholarship. While at Oxford Ms Horscroft will undertake postgraduate study for a Master of Philosophy degree in Developmental Studies. Virginia also received a University Medal for her outstanding achievements.

Other Prizes

Australian Finance Conference Prize

Best Student in BEA321 Money, Banking and Financial Institutions

- Patrick Mitchell

J.B. Brigden Memorial Prizes

Two Prizes for Best Four Third Year Units:

1. Laura Darby
2. William Young

Economic Society of Australia (Tasmania Branch) Prize

Best Student BEA240 Quantitative Methods 2

- Lauren Moran

The Tasmanian Chamber of Commerce and Industry Prizes

- Best Student BEA110 Economics for Business
Phillip Bender
- Best Student BEA130 Foundations of Economic Policy
Claire Stokes
- Best Students BEA140 Quantitative Methods 1
Eliza Wu
- Best Student BEA200 Intermediate Microeconomics
Simon Baptist
- Best Students BEA210 Australian Political Economy
Edmund O'Halloran
- Best Student BEA242 Introductory Econometrics
Laura Darby
- Best Student BEA303 Australia and the Asia Pacific Economies: Trade Principles and Policy
William Young

The Best Student in the First Year of the Faculty of Commerce and Law

- Claire Stokes

Employment Experience of Honours Graduates

The graduates of the Department's Honours Program have consistently won positions with much sought employers in both government and business. Former students include:

Michael Vertigan, Chancellor, University of Tasmania
Don Challen, Treasury Secretary, Tasmania
Saul Eslake, Chief Economist, ANZ Bank
Brett Allender, Chief Economist, Schroeders
Michael Siegelof, Chief Economist, BZW
Ivan Colhoun, Senior Economist, Bain

In 1999 Honours graduates found employment with the Treasury Department, Department of Foreign Affairs and Trade, Australian Bureau of Statistics (ABS), ACCC, and ANZ.

The table below gives details on the employment of the honours graduates of recent years.

Recent Employment Experience of BEc (Hons) Graduates

| Destination | 1993- '99 | '99 | '98 | '97 | '96 | '95 | '94 | '93 |
|---|--------------|-----|-----|-----|-----|-----|-----|-----|
| ANZ | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 |
| Aust. Bureau of Agriculture & Resource Econ | 3 | 0 | 0 | 0 | 0 | 1 | 1 | 1 |
| Australian Bureau of Statistics | 6 | 2 | 0 | 0 | 2 | 0 | 1 | 1 |
| Commonwealth Treasury | 5 | 1 | 0 | 0 | 0 | 0 | 3 | 1 |
| DEETYA | 2 | 0 | 0 | 0 | 1 | 0 | 0 | 1 |
| Finance & Industry | 7 | 0 | 0 | 2 | 1 | 3 | 0 | 1 |
| Further Study | 10 | 3 | 2 | 1 | 0 | 2 | 1 | 1 |
| Other Government Departments | 6 | 2 | 0 | 1 | 1 | 0 | 0 | 2 |
| Productivity Commission | 3 | 0 | 1 | 0 | 0 | 0 | 0 | 2 |
| Reserve Bank of Australia | 7 | 0 | 1 | 0 | 4 | 1 | 0 | 1 |
| Tasmanian Development & Resources | 2 | 0 | 0 | 0 | 0 | 1 | 1 | 0 |
| Tasmanian Treasury | 1 | 0 | 0 | 0 | 0 | 0 | 1 | 0 |

5. The School and the Wider Community:

The Fourth Giblin Lecture

Max Corden Distinguished Professor of Johns Hopkins University delivered the 1999 Giblin Lecture.

Giblin Lecture Paper Series

Occasional Paper No 1 “The Economics of Politics And the Politics of Economics”
— **Geoffrey Brennan**

Occasional Paper No 2 “Privatization, Competitive Entry and Rational Rules for
Residual Regulation” — **William J Baumol**

Occasional Paper No 3 “Implications of the Asian Currency Crisis and the Debt Crisis
of the 1980s” — **Anne Krueger**

Communicating Through the Media

Public Addresses

Bruce Felmingham, “An Overview of the Current and likely Future Trends in the Labour Market: Best Practice in Careers Advice”, Careers Education – Professional Development for Staff, 23 September, Rosny College, Hobart.

Newspaper Articles

In 1999 **Bruce Felmingham** raised the level of Economics debate in the Tasmanian media through his new column on economic affairs in the **Sunday Tasmanian**. Defying conventional positions, Bruce Felmingham has shown his readers the range of things it is possible to reasonably think in economics.

| Topic: | Date: |
|---|--------------|
| Top Export Performance (Tasmanian Exports) | 10 January |
| Illness in the Sports World (Value of Information) | 24 January |
| Drug Reform Projects Vital (Drug Reform) | 7 February |
| Tricky Politics in Energy Deal (Crest Resources) | 21 February |
| Fundamentals Only 75% Light (Current Account Deficit) | 7 March |
| Its Time to Cure Our Identity Crisis (Search for Tas. Identity) | 21 March |
| Sharing Good for Business (Business Ethics) | 4 April |
| Basslink: the Lifeline Cure (Basslink) | 18 April |
| Forget GST, Its EST Power (HEC) | 2 May |
| A Fairer Path to Tax Reform (Inequities of GST) | 16 May |
| Nine Out of Ten for Optimism (Tasmanian Budget) | 30 May |
| Footy's Clash of Cultures (Tassie Football) | 13 June |
| Tassie Witches a Ride With IT (Information Economy) | 27 June |
| Vision for an Intelligent Isle (Island Funds) | 11 July |
| Dive in Deep and With Pooled Fund (Pooled Development Fund) | 25 July |
| Rot in Workers Compensation Barrel (Workers Compensation) | 9 August |
| Glimpses of the Golden Age (Falling Unemployment) | 22 August |
| Fair Slices of that Tax Cake (Payroll Tax) | 5 September |
| East Timor to Cost Us Heaps (East Timor) | 19 September |
| The Dragon Starts to Stir (China's Growth) | 17 October |
| China Learning Market Dangers (China's Recession) | 31 October |
| Population Strategy Vital (Tasmanian Population Drift) | 14 November |
| Our Capital of Cronyism (SOCOG Fiascos) | 28 November |
| Let Kosovos Remain Here (Arguments About Immigration) | 12 December |
| Bright Future for Our Island (Tasmanian Outlook: 2000) | 26 December |

The School's Liaison with Tasmania's Schools

Wrest Point Economics Challenge

As in past years, the Wrest Point sponsored "Economics Challenge" took place in August with 185 students accompanied by 14 teachers attesting to the popularity of this event.

This annual joint venture between the School and a group of Tasmanian teachers is slanted towards attracting potential University students to the study of economics and a relative career choice. It also serves to strengthen the links between the various State educational institutions, this School and the University.

1999 was no exception with the Chancellor of the University, **Dr Michael Vertigan** and **Mr Peter Brohier** speaking in the morning session on the Bass Link and Bass Strait Highway respectively. **Mr Ross Marshall** of Wrest Point followed up with tourism aspects connected with the main subject.

After the lectures, the teachers joined **Dr Bruce Felmingham** for a working lunch.

At the workshop module in the afternoon, students were faced with a series of trivia type questions, followed by the opportunity to elect speakers who dealt with important issues for Tasmania relating to the earlier lectures.

The "Challenge" was coordinated by **Mr Bruce Page** with **Mr Norton Grey**, **Mr Paul Blacklow**, **Mr Colin Richardson** and **Dr Michael Brooks** acting as invigilators and judges. **Mr Ross Marshall** presented cash prizes, donated by Wrest Point Hotel and Casino, to the winners and runners up. **Ms Sue Abel** assisted with administration.

6. *The Centre for Regional Economic Analysis:*

Members and Associates of CREA

Director:

John Madden, BEc ANU, BA, DipEd, PhD *Tas*

Senior Research Fellow:

James Giesecke, BEc *Adelaide*

Senior Research Associate:

Alfred Hagger, BCom. *Melbourne*, PhD *London*

Research Fellows:

Prem Thapa*, BA *Williams*, MA *UC Berkeley*, PhD *ANU*

Research Associates:

Michael Brooks, MEc, DipEd. *Monash*, PhD *VPI and SU*.

Nicolaas Groenewold, MEc *Tas*, MA, PhD *Western Ontario*.

Sarah Jennings, BA, PgDip *Otago*, MA *UBC*, PhD *Alberta*.

Hom Moorti Pant, BEc *Trib*, MEc *Thamm*, PhD, *ANU*.

Hugh Sibly, BSc *ANU*, MEc *Monash*, PhD *Melbourne*.

John Whiteman, BA (Maths) *ANU*, BA (Econ), MA, PhD *Sydney*.

Secretary:

Lydia Parish

* from 15 July 1999.

CREA Research and Related Activities

In 1999 CREA's research was concentrated in the following areas:

- analysis of the impacts of national competition policy (ARC large grant project, 1997-1999; Chief Investigators: John Madden, and Peter Dixon of Monash University);
- construction of a political economy model of the Australian federal system to analyse competitive federalism. The new model will interface a game-theoretic model with a multiregional computable general equilibrium model. (ARC SPIRT project 1999-2000; Chief Investigators: John Madden, and Nic Groenewold of UWA);
- further development of year-on-year multiregional CGE forecasting model of Australian economy;
- historical and structural simulations with the multiregional forecasting model to analyse factors determining growth disparities between Tasmanian and Australian mainland economies;
- economic model of New South Wales tourism (with Centre of Tourism Studies, UNSW; supported by grant from Cooperative Research Centre for Sustainable Tourism);
- travel-cost study of the use-value of certain Tasmanian Parks & Wildlife sites (supported by grant from CRC for Sustainable Tourism - project 33017);
- economic modelling of the effects of tourism development on a regional economy: the case of Tasmania's Huon Region (supported by grant from CRC for Sustainable Tourism - project 33027);
- analysis of the impact of Commonwealth tax policy (the FBT and PAYE taxes) on a small sub-state region (the Pilbara);
- effective full-time labour equivalents;
- natural rate of unemployment.

The Centre undertook a number of major commissioned studies in 1999, including:

- economic impact of Sydney Olympics (study undertaken in collaboration with Arthur Andersen) – this study expanded on the previous CREA Olympics study undertaken with the NSW Treasury;
- the estimation of the impact of Basslink on the Tasmanian, Victorian, and national economies, for the Basslink Development Board;

- the impact on Western Australia and Australia of a major convention centre development, undertaken for Allen Consulting;
- an economic model of the South-East Queensland Bio-geographical region to allow forestry-based economic analysis, for the Queensland Department of Natural Resources;
- the economic contribution of Tasmania's national parks, for Parks and Wildlife Services;
- the estimation of the contribution of tourism to the Tasmanian economy for Tourism Tasmania;
- the effects on business costs of The New Tax System – input to the Deloitte Touche Tohmatsu GST Price Calculator;
- impact of The New Tax System on input prices of major business clients of Deloitte Touche Tohmatsu;
- assessment of modelling of the regional effects of national competition policy, for Productivity Commission.

The Centre also compiled, on behalf of all Australian gambling regulators, the publication, *Australian Gambling Statistics 1972-73 to 1997-98*, which provides official detailed figures for each Australian state and territory.

John Madden continued his membership of the Editorial Board of *Australasian Journal in Regional Studies* and was appointed to the Editorial Board of *Papers in Regional Science*: the journal of the Regional Science Association International. Dr Madden was also Guest Editor for the conference issue (Volume 5 number 3) of the *Australasian Journal in Regional Studies*. Centre staff refereed submissions to the following journals: *Economic Record*, *Papers in Regional Science*, *Australasian Journal in Regional Studies*.

John Madden was elected President of the Australia and New Zealand Section of the Regional Science Association International. James Giesecke continued his membership of Central Council of ANZRSAI as the Tasmanian Representative

A list of the CREA's publications can be found in the Centre's Annual Report.