Economics Program

ANNUAL REPORT

2004
ECONOMICS PROGRAM

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Economics Program
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*This report was prepared by Ken Clements, Effie Giaros, Tim Kam, Anh T. Le, Helen Reidy and Yanrui Wu, with valuable contributions from all other members of the Economics Program.
## CONTENTS

1. **INTRODUCTION** .................................................................................................................. 1
2. **STAFF MEMBERS** .............................................................................................................. 3
3. **EXAMPLES OF RESEARCH** .................................................................................................. 16
4. **SEMINAR SERIES** ................................................................................................................ 19
5. **PUBLIC LECTURE PROGRAM** ............................................................................................. 21
6. **PhD CONFERENCE IN ECONOMICS AND BUSINESS** ..................................................... 23
7. **HETSA CONFERENCE** ........................................................................................................... 24
8. **FREE TRADE AGREEMENTS CONFERENCE** ......................................................................... 25
9. **RESEARCH CENTRES** .......................................................................................................... 26
10. **VISITORS** .................................................................................................................................. 30
11. **RESEARCH GRANTS** ............................................................................................................ 32
12. **TEACHING** .......................................................................................................................... 35
13. **PhD STUDENTS’ TOPICS** ..................................................................................................... 38
14. **ACTIVITIES OF RECENT PhD GRADUATES** ........................................................................ 40
15. **HONOURS AND MASTERS STUDENTS’ TOPICS** ............................................................... 42
16. **ACTIVITIES OF RECENT HONOURS, MASTERS AND GRADUATE DIPLOMA GRADUATES** .......................................................... 44
17. **PRIZES** .................................................................................................................................. 45
18. **VARGOVIC MEMORIAL FUND** ............................................................................................... 47
19. **PUBLICATIONS BY STAFF** ................................................................................................... 48
20. **PUBLICATIONS BY HONOURS AND GRADUATE STUDENTS** ........................................... 56
21. **DISCUSSION PAPERS** ........................................................................................................... 58
22. **SEMINAR AND CONFERENCE PRESENTATIONS BY STAFF** ........................................... 60
23. SEMINAR AND CONFERENCE PRESENTATIONS BY HONOURS, MASTERS AND GRADUATE DIPLOMA GRADUATES................................................................. 66

24. OTHER PROFESSIONAL ACTIVITIES............................................................ 67
1. INTRODUCTION

Economics at UWA had a productive and successful year in 2004. Enrolments remained buoyant, graduating students enjoyed strong job-market opportunities, the work of the staff was recognised with a number of prestigious research grants and awards, and research output remained impressive. This report records these activities in detail, and this section provides a brief overview of some of the highlights of the year.

There is substantial student interest in courses offered by Economics. For a number of years, the first-year flagship unit Microeconomics, Prices and Markets 101 has had the largest enrolment in the whole University. In 2004, for the first time, the number of students enrolled in the unit exceeded 1,000. The companion unit Macroeconomics, Money and Finance 102 had an enrollment of more than 600, while in three other units, enrolments exceeded 200, and another seven units attracted over 100 students. There were 23 students enrolled in the Honours/Masters Programs.

It was particularly pleasing that the quality of the work of Economics students received considerable attention and recognition. Oliver Kerr’s honours dissertation entitled The Economic Effects of Regulation of the W.A. Potato Market, published in the Quarterly Bulletin of Economic Trends, received substantial coverage in The Australian newspaper and the Western Australian Business News. At the International Environmental Modelling and Software Society’s Biennial Conference in Osnabrueck, Germany, Felix Chan and Suhejla Hoti received Inaugural Early Career Research Excellence Awards, and Bernardo Veiga won the Best Student Paper and Presentation Prize in the Socioeconomic Systems category. Derby Voon won the Economic Society of Australia (WA Branch) Prize for the Best Honours Thesis in Economics in Western Australia for 2003. Lisa Soh’s honours research, concerning the pay of University Vice-Chancellors, was featured in the Higher Education Supplement of The Australian newspaper. Felix Chan completed his PhD with Distinction.

The quality of the staff of the Economics Program is outstanding, and professional accomplishments were recognised in a number of ways. Pamela Statham and Yanrui Wu were both promoted to Associate Professor. Paul Miller and Leanne Neo (a former student and member of staff) won the Economic Society Prize for the best paper published in the Economic Record in 2003 for their paper “Labour Market Flexibility and Immigrant Adjustment”. In addition, Paul Miller’s research with Elisa Rose Birch and Rosmary Win (a former honours student) on the determinants of academic success gained substantial media attention, with their findings appearing in the Sydney Morning Herald, The Age and The West Australian newspapers. Their work also attracted much considerable attention within the university sector. Michael McAleer was awarded the Biennial Medal of the International Environmental Modelling and Software Society and became a Fellow of the Society. Ken Clements was awarded the Best Discussant Prize at the PhD Conference in Economics and Business, held at ANU. New ARC grants were awarded to Felix Chan, Ken Clements, Suhejla Hoti, Michael McAleer and Paul Miller. UWA Grants were awarded to Michael McAleer, Michael McLure and Jo Voola. The outstanding research productivity of members of the Economics Program was also acknowledged
in two recently-published articles.\textsuperscript{1} Michael McAleer, Paul Miller and Darrell Turkington are listed prominently in a number of the rankings contained in the paper by Sina and Macri\textsuperscript{2}.

The Economics Program was active in outreach activities in 2004. Warren Hogan, from the University of Technology, Sydney, presented the Shann Memorial Lecture on “Policy Themes from Aged Care”, which was based on his report to the Commonwealth Government \textit{Review of Pricing Arrangements in Residential Aged Care}. Staff from the Economics Program also played a significant leadership role in organising the Economics Teachers’ Seminar, the PhD Conference in Economics and Business, the History of Economic Thought Society of Australia Conference, and the Free Trade Agreements Conference.

Three members of staff left the Program in 2004. After many years of service, Ameer Ali and Brian Gidney both retired from the full-time staff; and Timothy Kam resigned to take up a position at ANU. We thank these three individuals for their valued contributions to the Program.

All in all, 2004 was a very productive year for the Economics Program, and one that all staff can be justifiably proud of. With the recent appointment of Tracey Horton as Dean of the Business School, there is an air of expectation of even greater things to come. Staff within the Economics Program look forward to making many fine contributions to the new Business School during 2005.


PROFESSORS

**K.W. Clements**, BEc-Hons MEc (Monash), PhD (Chicago), FASSA.

**M. McAleer**, BEc-Hons MEc (Monash), PhD (Queen’s, Canada), FASSA, FIELMSS.
2. STAFF MEMBERS

Professor McAleer appears in *Who's Who in Economics: A Biographical Dictionary of Major Economists 1700 to 1995* (third edition), Edward Elgar, 1999, pp.748-749. From 1992-2001, he was an Adjunct Professor at the Centre for Resource and Environmental Studies, Institute of Advanced Studies, Australian National University; he has been an Adjunct Professor in the Department of Economics, University of Canterbury, New Zealand since 2002, an Adjunct Professor in the Centre for Integrated Catchment Assessment and Management, Faculty of Science, Australian National University since 2003, and an Adjunct Professor at Ling Tung Institute of Technology, Taiwan, since 2004. Professor McAleer received the inaugural Biennial Medal of the International Environmental Modelling and Software Society in 2004.

**P.W. Miller**, BEc (New England), MEc PhD (ANU), FASSA.

Professor Miller’s primary research interest is labour market performance, particularly as it relates to educational attainment, gender, ethnic and racial origin. He has published extensively in both Australian and overseas journals, including *Economic Record, American Economic Review, Canadian Journal of Economics, Economic Journal, Economica, Journal of Human Resources, Journal of Labor Economics* and *Industrial and Labor Relations Review*. His recent research includes “A Test of the Sorting Model of Education in Australia” (with C. Mulvey and N. Martin), which was published in a 2004 issue of *Economics of Education Review*. Professor Miller is currently Head of the School of Economics and Commerce.

**D.A. Turkington**, BA (Wellington), MCom (Canterbury), MA PhD (Berkeley).


**ASSOCIATE PROFESSORS**

**N. Groenewold**, BEc MEc (Tasmania), MA PhD (Western Ontario).


**Enginee...**
P.C. Statham, BEc-Hons (Monash), PhD (W.Aust.).
Associate Professor Statham’s main research interests are in Australian and British economic history and business history, particularly early Australian economic growth. She has published a number of articles in Australian Economic History Review and Royal Australian Historical Society Journal, among other journals, but her main contribution has been in books. She was responsible for the first volume in the Dictionary of Western Australians series covering the period 1829 to 1850, then edited a book on the letters of a prominent early settler, and contributed to one on the first Surgeon in Western Australia. She then examined the origins and early growth of all of Australia’s capital cities, followed by a study of the contribution made by the New South Wales Corps to early Australian capitalism. Her interest in early trade then led to the co-editorship of a book titled Life on the Ocean Wave: Voyages to Australia, India and the Pacific, from the Journals of Captain George Bayly 1824-1844 (Miegunyah Press, 1998). In between books she wrote various reports on heritage matters for the State and Federal Governments, and researched and wrote entries on early Australian entrepreneurs for the Australian Dictionary of Biography. Her interests then turned back to Western Australia, as she was asked to write a definitive biography of the State’s founder and first Governor, and her book James Stirling: Admiral and Founding Governor of Western Australia was published by UWA Press in May 2003 and launched at Government House in Perth. A paper on Stirling’s role in the Battle of Pinjarra, October 1834, was published in Studies in Western Australian History, Vol. 23, 2003. At the Governor’s request Pamela brought out a short version of Stirling for Western Australia’s 175th Anniversary, titled James Stirling and the Birth of Swan River Colony (Pandorus Publications 2004). Pamela also gave the keynote address at the Royal WA Historical Society’s Affiliated Society’s Conference at Toodyay in September 2004, her paper titled “Convicts in Western Australia; why did they come and what legacy did they leave?”

M. Tcha, BA (Seoul National University), PhD (Chicago).
Associate Professor Tcha specialises in applied microeconomics, development economics and international economics. His papers have been published in a range of international journals such as Economic Development and Cultural Change, Economic Record, Resources Policy, International Regional Science Review, Economics Letters, Journal of Sports Economics, Journal of Policy Modelling, Weltwirtschaftliche Archiv, Journal of International Trade and Economic Development, Journal of Asian Business and Papers in Regional Science. He also edited two books, The Korean Economy at the Crossroads (with C. Suh) and Gold and the Modern World Economy, which were published by Routledge. His recent research has concentrated on microeconomics, sports economics, Asia-Pacific Rim economies, direct foreign investment, exchange rate pass-through and comparative advantage in sports. Associate Professor Tcha is currently on leave.

Y. Wu, BS (Anhui), MA (Nankai), MA (ANU), PhD (Adel.).
Dr Wu is an economist specialising in development economics and applied econometrics. His research interests are the Chinese and Asian economies, economic growth and productivity analysis. He has published extensively in these fields. He is the author of Productive Performance in Chinese Enterprises (Macmillan, 1996), China’s Consumer Revolution (Edward Elgar, 1999), The Macroeconomics of East Asian Growth (Edward Elgar, 2002) and China’s
Economic Growth (Curzon, 2004), the editor of The Economics of East Asia Steel Industries (Ashgate, 1998) and Foreign Direct Investment and Economic Growth in China (Edward Elgar, 1999), and the co-editor of China’s Reform and Economic Growth (Asia Pacific Press, 1998) and Productivity and Growth in Chinese Agriculture (Macmillan, 1999). He has also published in a range of international journals, including Applied Economics, Economics Letters, Journal of Comparative Economics, Asian Economic Journal, Asia-Pacific Economic Literature, Pacific Economic Review, China Economic Review, Health Policy and Resources Policy. Dr Wu is on the editorial board of China Economic Review (North-Holland) and Journal of Chinese Economic and Business Studies (Routledge). He is also the General Editor of Advances in Chinese Economic Studies Series (Edward Elgar). His teaching interests are in econometrics and development economics.

SENIOR LECTURERS

M.J. Davies, BA (Kent), MA (Adel.).

Mr Davies’ major research interests are in British and Australian economic history, particularly the history of Australian mining. He is currently Secretary/Treasurer of the Australian Mining History Association, and during the 2003 International Congress held in Hokkaido, was re-elected as Secretary of the International Mining History Congress. He is currently working on biographies of the 19th Century South Australian mining identity John Benjamin Graham, and the Western Australian mining entrepreneur Claude Albo de Bernales. In the fields of economic and social history, Mr Davies has a number of publications that include papers in Australian Economic History Review, Comparative Studies in Society and History, Australian Historical Studies, Cornish Studies, The Great Circle, Journal of Australasian Mining History and the Journal of the Historical Society of South Australia. He has chapters in a number of books and has compiled a bibliography of the Mining History of Australia, New Zealand and Papua New Guinea. For the last two years he has been editor of the Journal of Australasian Mining History.

P.B. McLeod, BEc PhD (Adel.).

Dr McLeod teaches in the area of microeconomics, including microeconomic theory, resource economics and public policy economics. His research interests cover various areas of applied microeconomics, including transport, housing, valuation and management of natural resources, production functions and productivity measurement, and competition policy. He has published articles in International Journal of Transport Economics, Transportation Research, Urban Studies, Environment and Planning, Journal of Economic Psychology, People and the Physical Environment, Accounting and Finance, International Journal of Public Sector Management, Annals of Tourism Research, Journal of Environmental Management and Australian Transport Research Forum. Dr McLeod has acted as a consultant to several government departments and private firms, and has served on a number of Government Committees of Inquiry. Dr McLeod is currently the Dean of the Faculty of Economics and Commerce.
M.A.B. Siddique, BA-Hons MA MPhil (Rajshahi), DipResMeth (Dhaka), DipResRurDev (Hawaii), PhD (W.Aust.).

Dr Siddique’s main publications have been in the areas of trade, migration, development and applied econometrics with special focus on the Indian Ocean region and Sub-Saharan Africa. He has extensively published scholarly articles in international journals such as *Environment International*, *International Journal of Social Economics*, *Mathematics and Computers in Simulation*, *South African Journal of Economics*, *South Asia* and *Empirical Economics Letters*. He has also authored, edited and co-edited numerous books including *Evolution of Land Grants and Labour Policy of Government: The Growth of the Tea Industry in Assam 1834-1940* (South Asian Publishers), *Tourism and Economic Development* (Ashgate), *International Migration into the 21st Century: Essays in Honour of Reginald Appleyard* (Edward Elgar), and *External Powers in the International Relations of the Southern Hemisphere: Political, Military, and Economic Dimensions* (Observatoire Des Relations Internationales Dans L'Hémisphère Sud). During 2004, he edited one book, *Handbook of Sustainable Development Planning: Studies in Modelling and Decision Support* (with M. Quaddus) and authored and co-authored several chapters in three books edited by interstate and overseas colleagues. Dr Siddique is the Director of the Trade, Migration and Development Research Centre.

E.J. Weber, Lic oec publ (Zurich), MA PhD (Rochester).

Dr Weber’s fields of specialisation are macroeconomics and monetary history. His publications have appeared in Australian and international professional journals, including *Applied Financial Economics*, *Economics Letters*, *Energy Economics*, *Explorations in Economic History*, *Journal of Economic Surveys*, *Kyklos*, *Policy*, and *Resources Policy*. He wrote an entry on “Switzerland Before 1815” for the *Oxford Encyclopedia of Economic History* (2003), and he contributed chapters to books on the role of gold in the monetary system, and the issue of private bank notes before the emergence of central banking. Dr Weber’s current research includes discussion papers on the effect of monetary policy on the Australian States (Monetary Policy in a Heterogeneous Monetary Union), the history of bimetallism, and the teaching of optimal control theory in undergraduate economics programs.

LECTURERS

D.J. Butler, BA MSc (York), PhD (W.Aust.).

Dr Butler’s research interests focus on the application of experimental methods to the economic theory of individual choice and to game theory. In particular he studies the merits of expected utility theory and competing theories, as well as the role of motivations such as reciprocity in behavioural game theory. Dr Butler has published in journals including *Economics Letters*, *Acta Psychologica*, *Journal of Economic Behavior and Organization*, *Manchester School of Economic and Social Research*, *Journal of Behavioral Decision Making*, and *Journal of Economic Surveys*. He spent 2002-2004 as Visiting Assistant Professor in the Department of Economics, University of Arizona.
2. STAFF MEMBERS

P. Crompton, BBus-Hons (Curtin), PhD (W.Aust.).
Dr Crompton’s research interests include the econometric modelling of commodity markets, the relationship between metals demand and economic activity, and the world iron ore, steel and coal industries. He has published in *Journal of Environmental Economics and Management, Agricultural and Resources Quarterly, Resources Policy, Journal of Chinese Economic and Business Statistics* and *Applied Economics Letters*. Dr Crompton has edited a book of Shann Memorial Lectures, *Australian Macroeconomic Policy Debates: Contributions from the Shann Memorial Lectures* (UWA Press). He is also principal author of *Macroeconomics: A Contemporary Introduction (second edition)*, a leading textbook in introductory macroeconomics which has been used at The University of WA, Curtin University, University of NSW, University of Sydney, University of Queensland, University of New England and others. He also regularly works as a consultant to several of Australia’s largest mining companies and is currently an examiner on the Tertiary Entrance Examination Panel for Economics.

T. Kam, BCom-Hons PhD (Melb.).
Timothy’s research interest is in the field of macroeconomic theory and policy. He has written papers on the topics of fiscal policy and endogenous growth, the design of monetary policy for small open economies, dynamic stability of economies and monetary-policy design in a boundedly rational environment, dynamic job search, and optimal fiscal and monetary policy coordination. He has advised on honours projects dealing with topics in monetary theory and the microeconomics of “free software”. Dr Kam left the University mid year to take up an appointment at ANU.

A.T. Le, BBus (Curtin), MEc PhD (W.Aust.).
Dr Le’s research interests include labour market outcomes of female migrants, educational attainment, unemployment and gender wage differentials. She has also been working (with M. Giles) on labour market outcomes of prisoners in Western Australia. Her recent papers have been published or are forthcoming (with P.W. Miller) in a range of journals, including *Economics of Education Review, Education Economics, Economic Record* and *Australian Economic Papers*.

J.R. Voola, BEc-Hons (Murd.), GradDipBus MCom PhD (Curtin).
Dr Voola joined the Program at the beginning of 2003. Her principal interests are empirical industrial organisation and business economics with special emphasis on oligopolies. She has particular interest in the petroleum and pharmaceutical industries as well as innovation and technological issues. She has published in the *International Journal of Economics of Business*. In addition, she is an active member of the *Society of Petroleum Engineering*, where she has presented two papers at the October 2004 meeting in Perth. She is also active as a discussant and referee for the *Journal of Economics of Innovation* and *Business Society International Journal*. This year, together with Michael McLure, she ran the Economics Program Seminar Series.
2. STAFF MEMBERS

ASSOCIATE LECTURERS

J. Fogarty. BEc GradDipEcon (W.Aust.).
Mr Fogarty joined the Economics programme in 2001, and is currently working on his PhD thesis entitled *The Economics of Wine: Pricing, Quality and Rate of Return*. Mr Fogarty is currently on leave.

A. Ali, BA-Hons (Ceylon), MPhil (LSE), PhD (W.Aust.).
Since obtaining his doctorate, Dr Ali has held academic appointments at the University of Ceylon, Murdoch University, the University of Brunei Darussalam and the University of Western Australia. His teaching has mainly been in economic theory, economic development and the history of economic thought. Dr Ali’s recent research has concentrated on the development problems in Muslim countries, especially in the light of recent revivalist movements. In 1996 he published a monograph on Brunei titled *From Penury to Plenty: Development of Brunei Darussalam 1906 to Present*. He has also published in *Asian Survey, South Asia, Asian Profile, American Journal of Islamic Social Sciences, Journal of Objective Studies, Asian Profile*, and *Journal of Interdisciplinary Economics*. Dr Ali retired from the Program mid year.

A. Williams, BEc-Hons (W.Aust.).
Mr Williams’ teaching has been mainly in theory courses such as Business History. He is currently engaged in a project to facilitate interactive web-based learning for the Economics Program, which went on-line for first year students in 2001. His present research interests focus on economic development, particularly with respect to the link between governance and economic growth.

RESEARCH FELLOWS

E.R. Birch. BCom- Hons (Curtin).
Elisa-Rose Birch is a Research Fellow whose principal research interests are women’s labour supply, fertility behaviour and education economics. She is currently working on an ARC project analysing data on university students from the Department of Education, Science and Training. Elisa-Rose is also in the final stages of completing her PhD entitled *The Determinants of Labour Supply and Fertility Behaviour for Australian Women*.

S. Hoti, BCom MCom (Curtin), PhD (W.Aust.).
Dr Hoti completed her PhD thesis, entitled *Modelling the Riskiness in Country Risk Ratings*, with Distinction in 2003, and was awarded the 2003 Robert Street Prize for the best UWA PhD in 2004. Her research interests are in country risk, financial econometrics, time series analysis, macroeconomics, finance, antitrust enforcement, environmental risk and sustainability, and tourism research. She has published in *Mathematics and Computers in Simulation, Journal of Economic Surveys, Tourism Economics, Econometric Reviews*, and *Environmental Modelling and Software*. Dr Hoti is currently working with Dan Slottje (Southern Methodist University) on antitrust enforcement, Domenico Sartore (Venice) and Michael McAleer (UWA) on modelling financial risk and
volatility, Carmelo J. Leon (University of Las Palmas de Gran Canaria, Spain), Andreu Sansó (University of the Balearic Islands, Spain) and Christine Lim (Griffith) on tourism research, and Michael McAleer (UWA) and Laurent Pauwels (Geneva) on modelling economic and environmental risk ratings. One of the multivariate volatility models, which she developed in conjunction with co-authors at UWA, has been programmed in the widely used econometric software package RATS. In 2004, she completed a scientific monograph for Elsevier’s “Contributions to Economic Analysis” series no. 273, and received the inaugural Early Career Research Excellence Award of the International Environmental Modelling and Software Society.

Y. Lan, BEng (Huazhong University of Science and Technology, China), MBA(UWA), PhD (W.Aust).
Dr Lan is a part-time Research Fellow at the Economic Research Centre. Her main research interests are purchasing power parity, exchange rate economics, financial economics, and demand analysis. In 2004, Dr Lan’s research focused on two ARC funded projects: (i) stochastic index numbers, working with Professors Ken Clements and Izan; and (ii) exchange rates and commodity prices, working with Professors Ken Clements and Larry Sjaastad. In addition, she provided teaching assistance to the unit Monetary Economics 400.210. In the second half of 2004, Dr Lan presented research papers to the Economics Seminar Series at Murdoch University and to the First International Workshop on Intelligent Finance held in Melbourne.

G. Verikios, BBus (Vic. College), GradDipEcons MEc (Monash).
Mr Verikios is a Research Fellow whose principal research interests are quantitative economic issues, including multilateral manufacturing and services trade liberalisation, unilateral trade liberalisation by Australia, the distributional effects of microeconomic reform of infrastructure industries in Australia, productivity and alternative measures of real output for service industries in Australia, and health economics. He is currently working on a three-year ARC project titled “Economic Aspects of Wool in Western Australia”. He has published in Australian Economic Review, Journal of Economic Integration, Economic Papers and The World Economy, and is a member of the Economics Society of Australia. In 2004 he also undertook refereeing duties for the Australian Journal of Agricultural and Resource Economics.

POSTDOCTORAL RESEARCH FELLOW

M.T. McLure, BA (Murd.), Grad DipEd (WAIT), MEc (W.Aust.), PhD (Curtin).
Dr McLure’s current research focuses on the history of 20th Century fiscal research by Italian scholars influenced by Vilfredo Pareto, with a view to developing a new-Paretian approach to public finances and fiscal sociology. He previously prepared policy advice for the State Government on taxation matters in his capacity as an officer in the Department of Treasury and Finance. He received his PhD from Curtin University of Technology in 1999 and is the author of the monograph Pareto, Economics and Society: The Mechanical Analogy. His articles have been published in journals such as the Australian Economic Papers and the History of Economics Review, and his papers have been accepted for publication in forthcoming volumes of Pensiero Economico Italiano, the Journal
of the History of Economic Thought and the European Journal of the History of Economic Thought. With John Cunningham Wood, he is the co-editor of three collections for the Critical Assessments of Leading Economists series: Vilfredo Pareto (4 vols); Wassily Leontief (3 vols); and Paul A. Samuelson (3 Vols).

HONORARY SENIOR RESEARCH FELLOWS

R. Gabbay, BSc MA (Tel Aviv), DrPolSc (Geneva).
Dr Gabbay specialises in contemporary Middle Eastern issues, energy and oil (with special emphasis on OPEC), development economics, tourism in Indian Ocean island states and the role of culture in international marketing. He has published eighteen books and over 76 articles and monographs. Dr Gabbay is now working on his sixth volume of Australia and the Middle East 1945-2000: A Socio-economic and Political Study. Dr Gabbay's latest co-edited books are: International Business and Cross Cultural Marketing: Contemporary Research in Selected Countries, Academic Press International (API), 2004 and The Challenge of Inter-Disciplinary Perspectives and Globalization in the 21st Century, Volume 1, Academy of World Business, Marketing and Management Development, 2004.

R.N. Ghosh, MA (Delhi), PhD (Birmingham).
Dr Ghosh retired from the Economics Program in 1994, and since his retirement he has been a Senior Honorary Research Fellow. He is a specialist in the history of economic thought. In recent years he has published on topics relating to a wide range of development issues, such as good governance, corruption, gender issues, the environment, and the role of tourism in initiating development in LDCs. Dr Ghosh is the current chairman of the International Institute of Development Studies Australia.

N. Islam, BSc-Hons MSc (BAU), MS (UPLB), PhD (La Trobe).
Dr Islam is an Agricultural and Resource Economist with the State Department of Agriculture and an Honorary Senior Research Fellow with the Economics Program. He has worked with development organisations such as the International Rice Research Institute and the World Bank, and has developed economic models related to agriculture for practical policy formulation and decision-making purposes, including the measurement of productivity of the Western Australian agricultural sector. His expertise lies in economic modelling, benefit-cost analysis, monitoring and evaluation, and general economic analysis. Since 1996 he has been collaborating with the Economic Research Centre at UWA on input-output and computable general equilibrium models for the WA economy to study the impact of agricultural policies on the economy.

ADJUNCT PROFESSORS

P.H.B.F. Franses, MSc (Groningen), PhD (Erasmus).
Professor Franses is a Professor of Applied Econometrics, Econometric Institute, and a Professor of Marketing Research, Department of Marketing and Organization, both at Erasmus University Rotterdam. His research interests include applied econometrics, empirical finance, marketing research, and
diverse areas such as environmetrics and political science. He is editor-in-chief of *Statistica Neerlandica* and Associate Editor of seven international journals, including *Journal of Applied Econometrics* and *International Journal of Forecasting*. Professor Franses has published prolifically in numerous leading international refereed journals, including *Journal of Econometrics*, *Journal of Business and Economic Statistics*, *Journal of Applied Econometrics*, *Review of Economics and Statistics*, *Journal of Time Series Analysis* and *Journal of Marketing Research*. He is the co-author of various books with Cambridge University Press and Oxford University Press, including *Time Series Models in Business and Economic Forecasting* (1998) and *Quantitative Models in Marketing Research* (2001). He was appointed to the position of Adjunct Professor in the UWA Economics Program in 2001.

**A.J. Jakeman**, BSc-Hons (UNSW), PhD (ANU), FIEMMS.
Professor Jakeman is Professor of Environmental Systems, Centre for Resource and Environmental Studies, Institute of Advanced Studies, and Foundation Director of the Centre for Integrated Catchment Assessment and Management (ICAM), at the Australian National University. Since 1987, Professor Jakeman has been President of the Modelling and Simulation Society of Australia and New Zealand, and since 1999 the Foundation President of the International Environmental Modelling and Software Society. He is presently a member of the Board of Directors of the International Association for Mathematics and Computers in Simulation and on the Executive Boards of several international conferences. Professor Jakeman is on the editorial boards of a number of international journals, including *Environmental Modelling and Software*, *Journal of Forecasting*, *Environmetrics*, the Editorial Advisory Boards of *Ecological Modelling*, *Hydrological Processes* and *Systems Analysis Modeling Simulation*, and the Advisory Boards of the *Encyclopedia of Life Support Systems* and the *Numerical Insights Book Series*. His research interests include environmental policy problems, particularly those in hydrology, water quality and air quality management. He works in the field of integrated assessment, where he examines practical options for management of the environment, taking into account stakeholder interests, cross-sectoral issues, and timeframes for decisions. Professor Jakeman leads several projects at the ICAM Centre, including “An Integrated Water Resource Assessment Framework for the Ping Basin, Thailand.” He is a prolific publisher, with well over 200 books and articles in international journals in his two decades at ANU. Professor Jakeman has been a Visiting Scholar at Stanford University and a Visiting Researcher at the Institute of Hydrology in the UK. In 1998 he was an invited visitor to the Isaac Newton Institute at the University of Cambridge. He was appointed to the position of Adjunct Professor in the UWA Economics Program in 1995, and he is also an Adjunct Professor at the UWA School of Agricultural and Resource Economics.

**L. Oxley**, BA-Hons (Wales), MA (Sheffield), PhD (Tilburg), FMSSANZ, FRSNZ.
Professor Oxley is Head and Professor of Economics in the Department of Economics at the University of Canterbury, New Zealand. Professor Oxley has previously been a Visiting Research Fellow at the Australian National University and Visiting Senior Lecturer at Monash and UWA. He is one of the Foundation Editors of the *Journal of Economic Surveys* (Blackwell), is on the editorial boards of several international journals, and has edited a number of

**L.A. Sjaastad**, BA MA PhD (Chicago).

Professor Sjaastad is a Professor of Economics at the University of Chicago. His research has been highly influential in three areas: migration, international economics and economic policy. His papers “The Costs and Returns to Human Migration”, published in the *Journal of Political Economy*, and “How Protection Taxes Exporters” (with K. Clements), published by the Trade Policy Research Centre, London, are regarded as classics and are widely cited. Recent publications include “The Price of Gold and the Exchange Rate” (with F. Scacciavillani) and “On Exchange Rates, Nominal and Real”, both published in the *Journal of International Money and Finance*. Professor Sjaastad has made major contributions to economic policy in Latin America, and in 1993 he was awarded the prestigious honorary degree of Doctor Honoris Causa from the Universidad Nacional de Tucuman, Argentina. Professor Sjaastad was appointed to the position of Adjunct Professor in the UWA Economics Program in 1996.

**ADJUNCT ASSOCIATE PROFESSOR**

**S. Ling**, Diploma (Guangdong College of Education), MS (Jinan), PhD (Hong Kong).

Dr Ling is a world-renowned scholar in theoretical statistics, theoretical econometrics, and time series analysis. Dr Ling’s research is widely cited in the statistics and econometrics literature on problems relating to estimation and testing of models using time series data. He has published papers in *Annals of Statistics*, *Journal of the American Statistical Association*, *Journal of the Royal Statistical Society (Series B)*, *Biometrika*, *Econometric Theory*, *Journal of Econometrics*, *Journal of Applied Probability*, *Journal of Multivariate Analysis*, *Journal of Time Series Analysis*, *Journal of Statistical Planning and Inference* and *Econometric Reviews*. Dr Ling was appointed to the position of Adjunct Associate Professor in the UWA Economics Program and the UWA School of Mathematics and Statistics in 2003.

**ADJUNCT LECTURER**

**J. Roberts**, BEc-Hons MEc (W.Aust.).

Mr Roberts has considerable experience in the areas of agriculture, the water industry, resources and intellectual property, and R&D commercialisation, across a number of agencies in Western Australia. He is currently a Senior Associate with the economic consulting firm ACIL Tasman. John has close to
20 years experience as a tutor and lecturer with the UWA Economics Program, most recently in the areas of Monetary Economics and Business Economics, and has represented the School with its teaching program in Singapore.

ADJUNCT TEACHING FELLOW

B. Gidney, MA DipEd (Cantab.).
Mr Gidney has taught in a part-time capacity in the Economics Program since 1966. His teaching areas have included all core theory courses, British, Australian and Russian Economic History, Economic Development, Environmental Economics, International Economics and Business History. Since 1988 Mr Gidney has produced a number of revised and updated editions of his book *Economic Theory and the Australian Economy*. He is occasional visiting Lecturer in Economics for the Securities Institute of Australia, Marker in T.E.E Economics, and guest speaker at Economics Revision Seminars. At present he is Lecturer and Course Coordinator for the Business History course.

OTHER ACADEMIC STAFF

The Economics Program has benefited from the teaching assistance of the following:

Yanen Ang        Mark Knezevic        Amanda Telling
Louise Carter    Yihui Lan           Kate Varley
Andrew Ceber     Gareth Maguire      Bernardo Veiga
Felix Chan       Will Millsteed      Stephane Verani
James Chia       Naomi Nugraweni     George Verikios
Joan Coffey      Christopher O’Keefe  Priya Vergis
Margaret Giles   Aman Pabla          Duc Hong Vo
Andrew Gill      John Roberts         Lukas Weber
Owen Ho          Riaz Shareef         Chee Kong Wong
Suhejla Hoti     Lisa Soh            Jasslyn Yeo
Jodie Kampf      Chan Su             Claire Yu

In addition, the following individuals acted as Research Assistants to members of staff:

Jeremy Borino   Ben Dyer             Lisa Soh
Grace Chan      Mei Han             Stephane Verani
James Chia      Jodie Kampf         Derby Voon
Sebastian Davies-Slate  Sebastien Minisini  Chee Kong Wong
Julia D’Orazio  Giridhar Parameswaran
GENERAL STAFF

The Economics Program has also benefited from the assistance of a small, highly professional administrative group:

**Team Manager:** Ms Glenys Walter

**Administration Officer:** Ms Helen Reidy

**Administrative Assistants:** Ms Laura Dales  
Ms Aya Kelly  
Ms Catherine Roberts

**Research Assistant:** Ms Effie Giaros
3. EXAMPLES OF RESEARCH

The outstanding research record of the Economics Program can be illustrated by various indicators. One of these is cross-group ranking. The Economics Program has been consistently ranked either the second or third most productive group in Australian universities on a per capita basis. While the Program is relatively small in terms of the number of academic staff, it has nevertheless managed to successfully achieve both specialisation and diversification of research expertise. Areas of specialty possessed by Program staff range widely from microeconomics to macroeconomics, from pure theory to applied economics, and from economic history and thought to econometrics. To give a feel for the type of research carried out in the Economics Program, the following describes a number of recent projects. Other sections of this report give information on research in the form of publications, grants, thesis topics etc.

Resource Economics is an area in which several staff members have conducted research. Dr Paul Crompton (in conjunction with Jean-Baptiste Lesourd, Université de la Méditerranée, Aix-Marseille, France) investigated the presence of economies of scale in the global iron-making industry using a sample of 69 integrated steel-making plants. A generalised Leontieff cost function was estimated using panel data, the results indicating the presence of significant economies of scale in production. Surprisingly, few countries appeared to take advantage of the benefits of larger plant sizes. It was interesting to note that economies of scale are most often exploited by Asian steel producers, whom have historically been major exporters of low cost steel. In a related study, Dr Crompton investigated the production efficiency of steel producers using the stochastic production frontier methodology. Once again, these results found above average levels of production efficiency among Asian producers. This line of research is ongoing with current efforts focused on a comparison of production efficiency between large integrated steel producers and the smaller minimill producers. These projects are part of a research effort being funded by an ARC Linkage Grant with BHP Billiton as the industry partner.

Mel Davies recently completed a paper entitled “Taking coals from Newcastle - smelting location and fuel costs at the English and Australian Copper Company, Kooringa, South Australia”. Because it takes more than one ton of coal to smelt a similar quantity of minerals, and because coal is weight for weight less valuable than the mineral, it makes good logistical and economic sense to transport the mineral to the coal rather than vice versa. Yet in the 19th Century at the Burra Burra mines, common sense appears to have been turned on its head. Not only was the smelter erected by the Patent Copper Company (later called the English & Australian Copper Company) located in South Australia, where at the time there were no proven coal deposits, but it was situated at Kooringa 100 miles inland from the main Port of Adelaide, and adjacent to the Burra Burra mines, thus making the decision seemingly

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even more illogical from an economic point of view. The paper sets out to examine the reasoning behind the decision to locate at the site.

Policy decisions regarding the environment, health and safety are often influenced by “Stated Preference” measures of value elicited from the public, including contingent valuation. But how stable and reliable are the preferences these techniques produce? Many individuals’ choices and valuations involve a degree of uncertainty/imprecision and exhibit a stochastic element. In joint research with Professor Graham Loomes, Dr David Butler is completing a pair of papers that use experimental techniques to investigate this question. In one of the papers they build upon a model of imprecision and report an experiment using a novel preference elicitation instrument designed to obtain some measure of such imprecision and to examine the extent to which it can explain preference reversals (PR). One striking result is that they observe a form of asymmetric preference reversal which has previously been speculated about but not tested directly. The pattern of these reversals, in conjunction with the more familiar form of PR, is certainly not consistent with any existing stochastic specification of Expected Utility Theory, nor with alternative models such as regret theory which can offer an explanation for “classic” PR on its own. The model and the data pose a real challenge to those who wish to represent individual preferences in terms of a formal stochastic version of any existing “core” theory. They also raise serious concerns for those who make major resource allocation decisions on the basis of data generated by such studies.

In most business cycle research economic activity is measured by national output. Departing from the standard approach, recent research by Dr E. Juerg Weber shifts the focus on economic activity at the state and regional level. The economic diversity of the Australian states, which has arisen naturally from their varied geological and climatic endowments, has produced a heterogeneous monetary and economic union. As a consequence, the states experience different business cycles, and monetary policy affects them differently. Monetary policy influences the interior and north, which specialise in mining and pastoralism, more strongly than the southeastern seaboard, where services and manufacturing industries are located. Since Australia is a small open economy with easy access to international financial markets, monetary policy is mainly transmitted through the exchange rate. The interior and north react more strongly to monetary policy because primary commodities are mostly exported and the exchange rate provides the main transmission channel for monetary policy. The figure below shows the response of Gross State Product in five States to a positive monetary shock. In Western Australia a shock to the money stock M1 temporarily raises economic activity by 0.5 - 0.6 % for two to six quarters. In all other States the response of output to a monetary shock is about one half, or less, than that in Western Australia. The difference in the effect of monetary policy across Australian State economies poses a challenge to the conduct of national monetary policy. The Reserve Bank of Australia must find ways to reconcile the economic interests of Western Australia, representing the interior and north, with those of the states on the south-eastern seaboard.
Lisa Soh’s 2004 honours dissertation was entitled “How Different are Universities from Companies? Financial Reporting Perspectives and the Market for Vice-Chancellors.” Among other things, she established that in broad outline, there was one major similarity and one major difference between the remuneration received by Vice-Chancellors and Chief Executive Officers of companies in the private sector. The size of the institution is a major driver of remuneration in both cases, with the sensitivity of pay to size being of the same order of magnitude. The difference is that on average a VC gets paid about 60 percent less than the CEO of an equivalent-sized company. This is illustrated the figure below, which plots remuneration against revenue over time for the top companies and universities in Australia. This figure also indicates the universities whose VCs receive substantially above or below the relevant regression line, as well as UWA. Lisa completed Honours in Accounting and Finance, and her dissertation was supervised by a member of the Economics Discipline group.
In 2004, 25 speakers presented their research findings in the Economics Program Seminar Series. Many of the speakers also presented seminars at Curtin University. Following is a list of speakers and their topics.

<table>
<thead>
<tr>
<th>DATE</th>
<th>SPEAKER</th>
<th>TITLE</th>
</tr>
</thead>
<tbody>
<tr>
<td>5 March</td>
<td>Prof. Darrell Turkington, UWA</td>
<td>Iterative Interpretations of Limited Information Maximisation Likelihood Estimates.</td>
</tr>
<tr>
<td>12 March</td>
<td>Dr Lifen Wu, IRIC, Curtin University of Technology</td>
<td>The Feasibility of Charnes-Cooper Transformations.</td>
</tr>
<tr>
<td>19 March</td>
<td>Dr Max Kumerrow, Curtin Business School</td>
<td>Real Estate Valuations from Small Samples.</td>
</tr>
<tr>
<td>26 March</td>
<td>Mr Bernardo Veiga, UWA</td>
<td>Asymmetric Volatility and Spillover effects in Non-Synchronous Financial Markets.</td>
</tr>
<tr>
<td>2 April</td>
<td>Prof. Michael Kidd, University of Aberdeen</td>
<td>The Hazards of Starting and Quitting Smoking: Some Australian evidence.</td>
</tr>
<tr>
<td>21 April</td>
<td>Prof. David Kelsey, University of Birmingham</td>
<td>Imperfect Competition and Corporate Governance.</td>
</tr>
<tr>
<td>30 April</td>
<td>Dr Kirdin Lees, Reserve Bank of New Zealand</td>
<td>Do Inflation Targeting Central Banks Behave Asymmetrically? Evidence from Australia and New Zealand.</td>
</tr>
<tr>
<td>7 May</td>
<td>A/Prof. Kim Sawyer, University of Melbourne</td>
<td>Valuation and Portfolio Theory.</td>
</tr>
<tr>
<td>14 May</td>
<td>Dr Juan Yao, University of Sydney</td>
<td>Run Length and the Predictability of Stock Price Reversals.</td>
</tr>
<tr>
<td>21 May</td>
<td>Prof. Alfons Weersink, University of Guelph, Canada</td>
<td>The Pricing of Weather Insurance.</td>
</tr>
<tr>
<td>28 May</td>
<td>Dr Michael McLure, UWA</td>
<td>Italian Fiscal Sociology: A reflection on the pareto-grizioti and pareto-sensini letters on fiscal theory.</td>
</tr>
<tr>
<td>DATE</td>
<td>SPEAKER</td>
<td>TITLE</td>
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<tr>
<td>4 June</td>
<td>Dr William Coleman, ANU</td>
<td>Economics and Its Enemies: Two centuries of anti-economics.</td>
</tr>
<tr>
<td>23 July</td>
<td>A/Prof. Angeles Carnero, UAL</td>
<td>Periodic Heteroskedastic Models for Daily Electricity Spot Prices.</td>
</tr>
<tr>
<td>30 July</td>
<td>Prof. Ted Bergstrom, UMich</td>
<td>An Evolutionary View of Family Conflict and Cooperation.</td>
</tr>
<tr>
<td>6 August</td>
<td>Dr Jiti Gao, UWA</td>
<td>Recent Development in Nonparametric and Semiparametric Methods in Time Series Econometrics: A selective review.</td>
</tr>
<tr>
<td>13 August</td>
<td>Dr Suhejla Hoti, UWA</td>
<td>Modelling the Uncertainty in International Tourist Arrivals to the Canary Islands.</td>
</tr>
<tr>
<td>27 August</td>
<td>Prof. Gary Madden, UCM</td>
<td>Entrant and Incumbent Firm Virtual Market Performance.</td>
</tr>
<tr>
<td>3 September</td>
<td>Dr Margaret Giles, UWA</td>
<td>To Train or Not to Train: The prisoners’ dilemma.</td>
</tr>
<tr>
<td>10 September</td>
<td>Raul Barretto, UAd</td>
<td>When Does Foreign Aid Work?</td>
</tr>
<tr>
<td>24 September</td>
<td>Prof. Jeremy Mouat, AAU</td>
<td>More on Herbert Hoover’s Forgotten Years.</td>
</tr>
<tr>
<td>8 October</td>
<td>Dr E. Juerg Weber, UWA</td>
<td>Optimal Control Theory for Undergraduates.</td>
</tr>
<tr>
<td>15 October</td>
<td>No seminar</td>
<td>Honours Students: Presentations.</td>
</tr>
<tr>
<td>22 October</td>
<td>Dr Tram Le, UWA</td>
<td>Female Participation in the Australian Labour Market: Do changes in migration selection matter for primary and tied movers?</td>
</tr>
<tr>
<td>29 October</td>
<td>Dr Peter Chang, UVPoW</td>
<td>Real and Financial Development Traps.</td>
</tr>
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</table>
5. PUBLIC LECTURE PROGRAM

The Economics Program presented two major public lectures during the academic year: the Shann Memorial Lecture and the Economics Teachers’ Seminar. The first Shann Memorial Lecture was presented in 1961, and since then the Lecture has earned an enviable reputation for a high standard of scholarship, with the annual address making a substantial contribution to economic debate both inside and outside Western Australia. The Economics Teachers’ Seminar was an innovation in 1994 and has proved to be very successful. Details on the lecture program in 2004 are provided below.

THE SHANN MEMORIAL LECTURE

This lecture is held in memory of the contribution made to the University of Western Australia by Edward Shann, the Foundation Professor of Economics. The lecture is organised jointly by the UWA Economics Program and the WA Branch of the Economic Society of Australia.

Professor Shann was born in Hobart in 1884, coming to Perth in 1913 at the establishment of the University. He was Professor of History and Economics for 22 years until he moved to the University of Adelaide in 1935.

Past lecturers, who have distinguished themselves in Economics or Finance in Australia and overseas, have included Dr H.C. Coombs (1963), Professor Sir John Hicks (1967) (Nobel Prize Winner in Economic Sciences, 1972), Professor Adrian Pagan (1996), Professor John Freebairn (1997), Mr Ian Macfarlane (1998), Professor Allan Fels (1999), Professor Peter Lloyd (2000), Mr Ted Evans (2001), Dr Don Stammer (2002) and Professor Jerry Hausman (2003).

This year’s Shann Memorial Lecture was given by Professor Warren Hogan, School of Finance and Economics, University of Technology, Sydney. Professor Hogan was Director of Westpac Banking Corporation, Director of Australian Mutual Provident Society, Patron of the Taxpayers Research Foundation and Reviewer of the Review of Pricing Arrangements in Residential Aged Care. Professor Hogan is the author or co-author of over 100 publications of journal articles, books and book chapters. His research interests include macroeconomics, economic development, the role of government and markets, domestic/international economic and financial issues and economic thought.

Professor Hogan’s lecture on Policy Themes from Aged Care was based on the Review of Pricing Arrangements in Residential Aged Care which was commissioned by the Commonwealth government. He focused on two aspects of the report, namely an overview of the industry and the policy recommendations. With regard to the industry, Professor Hogan noted a number of important characteristics. First, the industry is one of the largest employers in the country. Second, there is a wide degree of heterogeneity from the providers of aged care. Providers include private sector, local and state governments, community organisations, charitable and religious organisations and other non-profitable organisations. Third, the industry has poor accountability and reporting. Finally, the industry is highly regulated with regard to quantity, quality, location and pricing of aged care. In terms of policy
recommendations, Professor Hogan discussed a number of changes. First, changes in the legislation to allow providers of aged care more flexibility in their management. Second, the government should use market mechanisms to determine price and revenue. Currently, these things are largely determined by the government. Third, management reforms are important to the sustainability of the industry in a market place. Finally, while the provision of aged care is complex, more thought and planning is needed if the industry is to remain viable and able to meet increasing future demand.

**Economics Teachers’ Seminar**

The annual Economics Teachers’ Seminar was held on June 10 2004 at University House. The seminar was organized by the *Economics Program* in conjunction with the Economics Teachers’ Association of Western Australia and the Reserve Bank of Australia.

The seminar is aimed at promoting economic dialogue between high-school teachers and Economics Program staff. Professor Ken Clements, Head of the Economics Program, chaired the seminar. He opened proceedings by welcoming participants and stressing the benefits of the seminar for both economics teachers and the Economics Program. Pedagogues on both sides were exposed to current developments in the Australian economy, monetary policy and issues of free trade and its impact on Western Australia.

The two guest speakers were Dr Jacqui Dwyer and Nicky Cusworth. Dr Dwyer, Head of the Regional and Industry Analysis Section at the Reserve Bank of Australia, elaborated on the then recently released RBA Statement on Monetary Policy. In her lecture entitled “Monetary Policy and Current Economic Conditions”, Dr Dwyer elaborated on the global outlook, highlighting the rising importance of China and potentially India for the development of Australia’s open economy. She also touched on slowing real-estate prices and its role in informing RBA policy, and also signs of rising trade and current account deficits in Australia, amongst other things.

Nicky Cusworth, Chief Economist of the Chamber of Commerce and Industry of WA, spoke on “The Australia-United States Free Trade Agreement”. She showed how supporters of globalization may not necessarily defend the AUSFTA on free-trade grounds per se, and vice-versa, highlighting the political-economic aspects of free-trade agreements. She also presented projections of the effect of the AUSFTA on the WA economy and the productivity of the state. She concluded that the agreement, on balance, should benefit WA, albeit she was careful to add that such benefit may be small.

Participants in the seminar had ample opportunity to ask questions and debate with each other during the talks and also over refreshments at University House.
The 2004 PhD Conference in Economics and Business was held at the Australian National University from 10-12 November. It was the seventeenth 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.

The objective of the PhD Conference series is to help with the training of promising doctoral students in economics and business by giving them the opportunity to gain feedback on, and exposure for, their research. It also enables PhD students to meet with their peers and to make contact with senior academics and researchers with similar interests. Furthermore, it acts as an informal job market in which the students can demonstrate their abilities and attract attention to their prospects.

This year 25 students presented papers. The students came from universities around Australia. As in previous years, each student was assigned a discussant who read the student’s paper in advance and prepared a written set of comments. The discussants were drawn from the Commonwealth Treasury, the Reserve Bank of Australia, and a wide range of Australian universities.

The Conference Convenor was Bob Gregory, the Head of Economics at the ANU Research School of Social Sciences, and Lesley Elliot was the Conference Coordinator. The Conference was officially opened by Bob Gregory, and Alan Oster, Chief Economist at National Australia Bank, gave the Invited Lecture.

Several prizes were awarded to both participants and discussants. The prize for Best Student Presentation was awarded to Karen Wade, from La Trobe University, for her paper entitled “Entry Thresholds for Regional Victoria”. The runner-up was Deborah Schlichting, from The University of Sydney, for her presentation “Household Food Security in Pakistan: an Empirical Analysis”. The Best Discussant award went to Ken Clements from UWA, and the equal runners-up were Peter Dixon from Monash University and Stephen King from the Australian Competition and Consumer Commission.

The PhD Conference continues to play a productive role in economic and business research in Australia. More than 400 students have been involved in the Conference Series over the past seventeen years, and it has made a major impact on graduate training in Australia and beyond. For details of previous Conferences, see Y. Qiang and K.W. Clements, “Ten Years of the PhD Conference”, Economic Record, 75 (1999), and K.W. Clements and P. Wang, “Who Cites What?” Economic Record, 79 (2003).
7. HETSA CONFERENCE

The 17th Conference of the History of Economic Thought Society of Australia (HETSA) was convened at the UWA Business School between 6 and 9 July 2004. Riccardo Faucci, Professor of the History of Economics at the Università degli Studi di Pisa, was the invited distinguished guest of the Conference. His excellent keynote address, which considered Styles and Trends in Italian Economic Thought, is to be published in a forthcoming edition of the History of Economics Review.

The underlying theme of the Conference was national contributions to the history of economic thought, with sessions devoted to Italian economics, Austrian economics, British neoclassical economics and American economics. This was supported by sessions on a range of issues of special interest to historians of economics, such as the treatment of money in the history of economics and in economic history, women and feminist economists, John Maynard Keynes and Bertrand Russell, and pre-classical and Marxian economics. There was also a session of short papers, designed primarily for new and emerging historians of economics and a session of conversations with economists, based on interviews with two of Australia’s most eminent and surviving economists.

The Conference was successful in attracting experts in the history of economics from overseas and within Australia. In addition to the keynote speaker, who was the only ‘invited guest’ of the Conference, senior scholars were attracted from Italy (Salvatore Rizzello, Università degli Studi di Torino), the United States (Richard Kent, Kent State University) and Japan (Yukihiro Ikeda, Keio University). Australia’s internationally renowned historians of economics also presented papers at the Conference, including: Peter Groenewegen (University of Sydney), John King (La Trobe University) John Lodewijks (University of New South Wales) and Rod O’Donnell (Macquarie University). It was also pleasing to note that several emerging historians of economics presented their research, such as Troy Lynch (la Trobe), Huei-chun Su (University of Exeter) and Ranald Taylor (Murdoch University). The combination of experience and youth worked well at the Conference, with high quality presentations complemented by some excellent discussions.

Another pleasing aspect of the Conference was the reading of messages of support from the Presidents of both the European and Italian societies for the history of economic thought. This is indicative of an emerging, and welcome, sentiment in favour of greater international cooperation in this field of research. The presentation of History and Political Economy: Essays in Honour of PD Groenewegen (Routledge 2004) to Peter Groenewegen at the Conference Dinner was a similarly memorable moment.

The Conference was organised by Michael McLure from the UWA Economics Program in consultation with a cross campus advisory committee comprising: Paul Flatau (Murdoch University), Robin Ghosh (UWA), Prue Kerr (UWA), Gregory Moore (University of Notre Dame Australia) and Ray Petridis (Murdoch University). In the course of the Conference proceedings, HETSA gratefully acknowledged the UWA Economics Program and the organising team for their efforts and the Faculty and the School of Economics and Commerce, as the Conference would not have been possible without their sponsorship and support.
Regionalism, trade and economic development in the Asia-Pacific Region was the main focus of the *International Conference on Free Trade Agreements in the Asia-Pacific Region: Implications for Australia*, which was organised by UWA’s Trade, Migration and Development Research Centre. The Conference was held at the University of Western Australia in July and the Vice-Chancellor, Professor Alan Robson, opened the conference and delivered the welcome address.

Over 70 delegates attended the conference, 20 of whom were invited scholars of international trade and development from Australia, Indonesia, Malaysia, New Zealand, Singapore, South Korea, Thailand, the UK, and the USA. Key trade negotiators from the Department of Foreign Affairs and Trade (Canberra) and Department of State (USA), Chair of the Senate Inquiry into the Australia-USA Free Trade Agreement, business leaders, academics from local tertiary institutions and senior officials from the Western Australian Department of Industry and Resources also participated in the Conference.

Dr Abu Siddique was the Chair of the Conference and assistance was provided by Conference Secretary Mr Ben Dyer. Financial support for the conference was internally provided by the Vice-Chancellor’s office, the Dean’s Office and the School of Economics and Commerce. The Conference also received funding from the WA Department of Agriculture, Faculty of Business at Edith Cowan University, School of Economics and Finance at Curtin University of Technology, Economic Society of Australia (WA Branch), Commonwealth Department of Foreign Affairs and Trade, USA Department of State, and the Griffin Group.

One of the highlights of the Conference was the farewell to Professor Larry Sjaastad, who is a Professor of Economics at The University of Chicago, and is also an Adjunct Professor at the University of Western Australia. He was to retire from the University of Chicago after 42 years of teaching and research, centering on migration, trade and development. To celebrate his outstanding contribution to teaching and research, Professor Ken Clements and Associate Professor MoonJoong Tcha of the Business School at UWA produced a book titled *Dear Larry…* containing testimonials from former students and colleagues around the world. Professor Ken Clements, Chair of Economics Program, presented the book to Professor Sjaastad during the Conference dinner.

The conference papers and proceedings will be published, by the internationally recognised publisher, Edward Elgar, in a volume entitled, *Regionalism, Trade and Economic Development in the Asia-Pacific Region*, to be edited by Dr Abu Siddique.
9. RESEARCH CENTRES

There are three research centres attached to the Economics Program. They are the Economic Research Centre, the Trade, Migration and Development Research Centre and the Centre for Labour Market Research. Each of these centres has been instrumental in raising the national and international profiles of the Program. This has been achieved through the organisation of seminars and conferences, through the research conducted and through the visitors attracted to the centres. The major activities of each centre are described below.

ECONOMIC RESEARCH CENTRE

The Economic Research Centre (ERC) has been contributing to the enhancement of the research profile of the Economics Program since its establishment in 1986, and has gained considerable prominence nationally and worldwide. The broad aims of the Centre are to promote economic research; facilitate the training of graduate students in economics and business; and organise conferences, seminars and short courses. Academic and research staff associated with the Centre include MoonJoong Tcha, Juerg Weber and Yanrui Wu from the Economics Program, Robert Greig from the Commonwealth Treasury, Helal Ahammad from ABARE, Ye Qiang from the WA Department of Industry and Resources, Meher Manzur from Curtin University, Antony and Saroja Selvanathan from Griffith University, Larry Sjaastad from the University of Chicago, Andrew Feltenstein from Virginia Polytechnic Institute, Dongling Chen from SGEG Jianyang Network Co. Ltd., Li Lian Ong from the IMF in Washington, John Roberts from ACIL Tasman Consulting, and Nazrul Islam from the WA Department of Agriculture. Ken Clements is the Centre’s Director and Yihui Lan and George Verikios are Research Fellows with the Centre.

The research projects the Centre has undertaken in recent years include international trade and finance, demand analysis, world metals economics, minerals and energy economics, the economics of marijuana, index numbers, the economics of wool, and risk management in exchange rates and commodity prices. The Centre’s capability for research has been widely recognised and is reflected in its record of winning outside research grants from various sources such as the ARC, the WA Government, ACIL Tasman Consultancy, AngloGold Ashanti Australia Ltd, Woodside and POSCO. The ERC has close professional relationships with a number of institutions, including the Australian National University, the University of Chicago, Colorado School of Mines, SungKyunKwan University, Seoul National University, Korea Development Institute and POSCO Research.

The ERC has trained a number of postgraduate students since its inception. PhD graduates include Antony Selvanathan, Professor at Griffith University, Saroja Selvanathan, Associate Professor at Griffith University, Meher Manzur, Associate Professor at Curtin University, Li Lian Ong, Economist, IMF, Washington, Ye Qiang, Senior Economist with the WA Department of Industry and Resources, Dongling Chen, General Manager, Beijing Baiyulan SGEG Network Co., Paul Crompton, Lecturer in Economics, UWA, and Yihui Lan, Research Fellow, ERC. These former students have published research based on their theses in leading international journals such as Economics Letters, Journal of Business and Economic Statistics,
Since 1987 the ERC, in conjunction with the Centre for Economic Policy Research at ANU, has co-organised the annual PhD Conference in Economics and Business. This conference, held alternately at UWA and ANU, has three major aims: (i) to provide an opportunity for doctoral students to discuss their research and obtain outside comment on their dissertation work; (ii) to enable students to meet senior research economists especially well qualified to comment on their research, and other doctoral students from within Australia and overseas; and (iii) to act as an early job market. The past 17 conferences have involved some of Australia’s leading economists acting as discussants and over 400 PhD students, and have been of great assistance to the research and careers of PhD students. Details of the activities of the ERC are available at: http://www.econs.ece.uwa.edu.au/erc/

TRADE, MIGRATION AND DEVELOPMENT RESEARCH CENTRE

The Trade, Migration and Development Research Centre (TMDRC) was established in 1987 with the main objective of promoting advanced research in trade, migration, globalisation and economic development. In recent years, funded by various organisations, the TMDRC completed five major research projects: (i) Immigration and Trade: Is there a Link? Evidence from Australia; (ii) South Africa and Australia: Possibilities of Economic Co-operation; (iii) A Closer Look at the Australia-New Zealand Closer Economic Relations; (iv) Globalisation and Economic Development in South Asia; and (v) Economics and Politics of Illegal Migration in Australia.

Academic and research staff associated with the TMDRC have extensively published in refereed journals and authored numerous books dealing with migration, trade and developmental issues. During 2003-04 members of the Centre published (edited and authored) the following books: A Handbook of Sustainable Development Planning: Studies in Modelling and Decision Support (Edward Elgar Publishing Limited: UK); Tourism and Economic Development (Ashgate: UK); Greek Pioneers in Western Australia (UWA Press); Essays on Development Issues (Atlantic Publishers and Distributors: New Delhi); and Five Essays on the Labour History of Western Australia (Atlantic Publishers and Distributors: New Delhi).

The Centre has forged many bonds through co-operation with organisations and institutions such as: (i) Observatoire des Relations Internationales dans L'Hémisphère Sud, France, (ii) South African Institute of International Affairs, Johannesburg, (iii) the National Centre for Development Studies, Australian National University and (iv) Transparency International, Australia.

The TMDRC is an important forum for informed debates and professional discussions on development related issues. Through its seminars and conferences on contemporary and topical issues, the TMDRC brings together scholars of national and
9. RESEARCH CENTRES

international eminence and also business leaders, senior public servants and key policymakers and thus provides a forum for broad intellectual interaction. For example, in July this year, the Centre organised an International Conference on “Free Trade Agreements in the Asia-Pacific Region: Implications for Australia” focusing on regionalism, trade and economic development in the Asia-Pacific Region (for details, see Section 8). Details of the activities of the TMDRC are available at:

CENTRE FOR LABOUR MARKET RESEARCH

The Centre for Labour Market Research (CLMR) is a consortium of Murdoch University, the University of Western Australia, Canberra University and Curtin University of Technology. It has been operating since 1985 and has significant economic research capabilities. The Centre is now located at UWA and its Director is Professor Charles Mulvey. The Centre has 26 Research Associates who hold academic positions at the four universities in disciplines including economics, education, psychology, management and industrial relations. The Centre employs two full-time research fellows, one casual research assistant and an administrative assistant.

Since its inception, the Centre has become a highly regarded and nationally recognised research organisation with an enviable record of contract research and publication in all aspects of labour market and education research. In recent years the Centre has undertaken major research projects, either through contracted research or research grants, for: the Department of Employment and Workplace Relations; AusAID; the Department of Education, Training and Youth Affairs; the Economic Planning and Advisory Council; the Australian Bureau of Statistics; the Australian National Training Authority; the Full Employment Project at Melbourne University; the Bureau of Immigration and Population Research; the Department of Tourism; the WA Department of Education and Training; the Department of Commerce and Trade; the New South Wales Treasury; the WA Department of Premier and Cabinet; the WA Department of Education Services; the National Centre for Vocational Education Research; the Technology and Industry Advisory Council of WA; the WA Department of Health; and the Commonwealth Department of Health and Ageing.

Over the course of 2004 the Centre completed the following projects:

- A study of education, training and work experience in Western Australian prisons – funded through the National Centre for Vocational Education Research (NCVER).
- Unmet demand for post-compulsory education and training – funded through NCVER.
- Review of the Average Government School Recurrent Cost (AGSRC) and the funding model used to disperse funding to the non-government sector in Western Australia. All of its recommendations have been endorsed by the respective stakeholders and the 2005 funding will be determined through the model. The review was summarised in a report and published by the Department of Education Services. The report was also presented to the Commonwealth Senate Inquiry on school resourcing held in July.
• Two reports to the Department of Consumer and Employment Protection providing an overview of labour and other social and economic indicators. Presentations were given to the Director-General and senior executive.

The Centre’s ongoing projects and activities include:

• Estimation of cost functions for public schools – funded through the Australian Research Council Linkage Projects Scheme and the Department of Education and Training (Industry Partner).

• Three year funding agreement with the Department of Education and Training for $40,000 (per year) to support its various activities and provide advice to the senior executive on labour market issues.

• Funding totalling $8,000 from Consortium members (UWA, Curtin, Murdoch and Canberra Universities) for putting the Centre’s Journal, The Australian Journal of Labour Economics, on line through INGENTA. This project will be completed in early 2005.

• The Australian Labour Market Workshop was hosted by the CLMR in December. Commonwealth and State sponsors (ABS, Department of Employment and Workplace Relations, Department of Consumer and Employment Protection, Department of Education and Training, Department of Premier and Cabinet and UWA) have underwritten much of the cost of the workshop.

• Three visiting fellows were hosted by the CLMR in 2004 – Professor Hui Weng Tat (NUS), Associate Professor Wankyo Chung (NUS) and Professor Phil Lewis (Canberra University).

Details of the activities of the TMDRC are available at:
http://www.clmr.ecei.uwa.edu.au/
10. VISITORS

The Economics Program was pleased to welcome five visitors during 2004. During their visits, they presented seminars and collaborated with members of the Program on research. Details on each visitor are provided below.

**Professor Srikanta Chatterjee** is a Professor of Economics at Massey University, New Zealand. He has taught and published in a number of areas including international trade, international finance, the Asia-Pacific economies, the New Zealand economy, and income distribution and inequality. His publications have appeared in journals such as *The Journal of Public Economics, The Economic Record, International Trade Journal, The Australian and New Zealand Journal of Statistics, and The Journal of International Development*. Srikanta visited the Trade, Migration and Development Research Centre from November 22–25, 2004 to work with Abu Siddique on a project titled, “An Empirical Investigation into the Phenomenon of Exchange Rate Pass-through in Trade between Australian and New Zealand”. Srikanta also met with other members of the Economics Program to discuss research.

**Professor Barry Chiswick** is a University Distinguished Professor and Head of the Department of Economics at the University of Illinois at Chicago. He is also the Director of the Center for Economic Education at that University. Professor Chiswick is well known for his research in Labour Economics and Human Resources, Immigrants and Ethnic Groups, Economics of Language, Economic Theory, Statistics and Applied Econometrics, and Public Policy Analysis. He has published in numerous prestigious journals since his first paper was published in 1966, the seminal piece “Education and the Distribution of Earnings”, co-authored with Gary S. Becker, that appeared in the *American Economic Review*. Barry visited the Economics Program for one week in August in order to work on a project on the role of Immigration Policy that is funded by the Australian Research Council. The findings from this study were presented at a Workshop at the Australian National University in August.

Crompton on the estimation of production and cost functions for iron and steelmaking.

**Assistant Professor Alexandra M. Newman, BA (University of Chicago), PhD (University of California, Berkeley).**
Alexandra Newman is an Assistant Professor of Operations Research in the Division of Economics and Business at the Colorado School of Mines in Golden, Colorado, USA. Prior to her appointment there, she served as a Research Assistant Professor in the Operations Research Department at the Naval Postgraduate School in Monterey, California, USA. She visited the Economics Program for a week in May to work jointly with Dr Paul Crompton on a global network flow model to predict trade flows of hot strip steel. Her research interests lie in the formulation of solution methodology for, and application of, optimisation models to areas such as mining, the minerals sector, transportation and the military. She has published papers in journals such as *Mining Engineering, IIE Transactions, Transportation Science*, and *Interfaces*. She has also co-authored several book chapters.

**Professor Larry Sjaastad** BA MA PhD (Chicago) visited the Economics Program for a week in July to present a paper at the FTA Conference and to discuss research with Ken Clements. Plans for work on the interactions between exchange rates and gold prices were discussed, and how the WA gold sector would be involved in that work.
11. RESEARCH GRANTS

The Economics Program was highly successful in 2004 in obtaining new Australian Research Council Linkage Grants and UWA Research Grants.

<table>
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<tr>
<th>Recipient</th>
<th>Project Title</th>
<th>Amount (p.a.)</th>
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<td><strong>AUSTRALIAN RESEARCH COUNCIL: NEW LINKAGE GRANTS</strong></td>
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<tr>
<td>Prof. D.E. Allen</td>
<td>Modelling Stock Market Liquidity in Australia and the Asia Pacific Region.</td>
<td>$52,500</td>
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<tr>
<td>Prof. M. McAlear</td>
<td>(SIRCA, Industry Partner)</td>
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<td>Dr S. Peiris</td>
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<tr>
<td>Mr F. Chan</td>
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<tr>
<td>Prof. K.W. Clements</td>
<td>Exchange Rates and Commodity Prices in a Volatile Business Environment.</td>
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<td>Dr L.A. Fisher</td>
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<td>Prof. M. Sherris</td>
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<td>Prof. K.W. Clements</td>
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<td>Ms S.J. Thorp</td>
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<td>Quantifying Country Risk Ratings and Volatility and Measuring the Impact of Fundamentals</td>
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<td>Modelling Dynamic Correlations in the Volatility of Patents and Technical Change</td>
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<td>Examining Overeducation and Undereducation in the Immigrant Labour Market: An international case study approach.</td>
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<td>Economic Aspects of Wool in Western Australia (WA Department of Agriculture, Industry Partner).</td>
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<td>Prof. P.W. Miller</td>
<td>Higher Education: Access and equity (DEST, Industry Partner).</td>
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<td>Dr P. Crompton</td>
<td>The Future of Australian Mineral Exports (BHP Billiton, Industry Partner).</td>
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<td>Dr Y. Wu.</td>
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<td>Prof. P.W. Miller</td>
<td>Estimation of School Cost Functions (WA Department of Education, Industry Partner).</td>
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<td>A/Prof. N. Groenewold</td>
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<td>Mr R. Kelly</td>
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<td>Dr M. Giles</td>
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<td>Stochastic Index Numbers and their Application in Accounting, Economics and Finance.</td>
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<td>A/Prof. E.A. Selvanathan</td>
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<td>Strategy and Structure of the Korean Chaebol: Changes after the 1997 economic crisis and implications for Australia.</td>
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<td>Dr C.A. Wright</td>
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<td>Prof. M. McAleer</td>
<td>Modelling a Portfolio of Financial Assets: Structure, Estimation, Testing and Forecasting.</td>
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<td>Dr A.T. Le</td>
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<td>Youth in Australia: Education and Work.</td>
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<td>Optimal Risk Analysis in Dynamic Portfolio Selection.</td>
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<td>Pareto and the Giornale Degli Economist: A sociology of scientific knowledge.</td>
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<td>Dr J. Voola</td>
<td>Optimal Patent Lengths: A case study of the pharmaceutical industry.</td>
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**OTHER RESEARCH GRANTS**

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<td>Dr R. Gabbay</td>
<td>Australia and the Middle East: A socio-economic and political study</td>
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12. TEACHING

Enrolments in several of the Economics Program’s key units remained large, with 1016 students enrolled in *Microeconomics, Prices and Markets 101*, and 635 in *Macroeconomics, Money and Finance 102*. Ten other courses had enrolments in excess of 100 students, and a further four had 60 or more students.

A list of units offered by the Program in 2004, together with course co-ordinators and enrolments, follows.

<table>
<thead>
<tr>
<th>Unit No.</th>
<th>Title</th>
<th>Sem.</th>
<th>Co-ordinator</th>
<th>Enrolment</th>
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During 2004 the Economics Program had 14 students enrolled in the PhD program. Details on the students, their topics and arrangements for supervision are as follows:

N. Ali, *The Making of a Miracle: Corruption and Growth in East Asia*, supervised by A/Prof. Y. Wu and Dr M.A.B. Siddique.


J. Fogarty, *The Economics of Wine: Pricing, Quality and Rate of Return*, supervised by Prof. K.W. Clements.

D. Hendrie, *An Economic Evaluation of Healthway’s Sponsorship Program*, supervised by Dr P. McLeod and Mr M. Knuiman (Dept of Public Health).

O. Ho, *Foreign Direct Investment (FDI) in the Chinese Economy*, supervised by A/Prof. Y. Wu and A/Prof. N. Groenewold.

E. Loh, *An Assessment of Trading Rules Based on Macroeconomic Aggregates*, supervised by A/Prof. N. Groenewold.


B. Veiga, *Modelling Dynamic Value-at-Risk Thresholds*, supervised by Prof. M. McAleer and Dr A. Szimayer.


A. Williams, *External Debt, Capital Flight and Governance*, supervised by Dr M.A.B. Siddique.


J. Yeo, *Forecasting Returns Using Time: Varying Risk Measures*, supervised by A/Prof. N. Groenewold.
COMPLETING PHD STUDENTS

The Economics Program was pleased to have the following two students complete the PhD degree.


**P. Verhoeven**, *Outliers, Extreme Observations and Volatility Modelling*, supervised by Prof. M. McAleer.
14. ACTIVITIES OF RECENT PhD GRADUATES

One of the factors contributing to the reputation for excellence of the Economics Program is the record of its recent PhD graduates. The following provides some information on the activities and achievements of recent graduates.

**Paul Crompton** completed a thesis entitled *Economic Aspects of the East Asian Steel Industry* in 2002. Dr Crompton has published articles in *Energy Economics, Journal of Chinese Economic and Business Studies, Applied Economic Letters* and *Resources Policy*. He is now a Lecturer in Economics at UWA and has acted as a consultant to the mining industry.

**Reefat Fouda** completed a thesis entitled *The Impact of Anis Mansur’s Writings on the Political and Socio-Economic Discourse in Egypt during Nasser and Sadat Era (1952-1982)* in 2003. To date there are some negotiations to publish his thesis as a book in both English and Arabic languages in Egypt. He had been interviewed by the famous Arabic satellite channel *Al-Gazeera* about his thesis and the importance of conveying to the English readers the whole meaning of the Arabic texts even with some internal aspects of beauty that could be hidden within the context, which is a hard task, especially in the translation of Arabic into English. In June this year, he stopped working as the Head of the Arabic Department in the Australian Islamic College and continues to work as an Arabic interpreter with TIS (Translating and Interpreting Service) which is a body of the Immigration Department. He is waiting for a university in WA to introduce some courses in the Arabic language which includes cultural and modern historical elements.

**Margaret Giles** completed her PhD entitled *Correcting for Selectivity Bias in the Estimation of Road Crash Costs in Western Australia* in 2003. Three chapters of the thesis have been published in journals that include *Australian Economic Review, Applied Economics* and *Transport Economics and Policy*. In 2004 she has worked as a Lecturer in the Singapore Bachelor of Commerce Program and on campus for the UWA Economics Program. She is currently a postdoctoral research fellow with the Centre for Labour Market Research at UWA, a research associate with the Women’s Economic Analysis and Policy Unit at CUT and Associate Editor of the *Australian Journal of Labour Economics*. She has recently published in *Australian Bulletin of Labour* (with Austen) and *Transport Policy*. She has co-authored the textbook *Economics of Australian Labour Markets, 6th edition* (2005), with Norris and Kelly. Her most recent projects have been with Dr Tram Le on labour market outcomes for prisoners and with Dr Michael McLure on unmet student demand for post school education. Her current project is the estimation of government school cost functions for WA. In 2004, Margaret presented papers at the 2004 Australian Labour Market Research Workshop in Adelaide in February and the 2004/05 Australian Labour Market Research Workshop in Perth in December.

**Suhejla Hoti** completed her PhD thesis entitled *Modelling the Riskiness in Country Risk Ratings* in 2003, and was awarded the 2003 Robert Street Prize for the best UWA PhD in 2004. She is currently working with the UWA Economics Program as a Research Fellow, and has published in *Mathematics and Computers in Simulation, Journal of Economic Surveys, Tourism Economics,*
Econometric Reviews, and Environmental Modelling and Software. Her research interests are in country risk, financial econometrics, time series analysis, macroeconomics, finance, antitrust enforcement, environmental risk and sustainability, and tourism research.

**Baiding Hu** completed his PhD thesis entitled *Modelling Economic Growth in China: Productivity, Industry Structure and Final Demand* in 2003. Dr Hu is currently working as an Associate Lecturer in the Department of Economics at Macquarie University, and has had several papers published in Mathematics and Computers in Simulation.

**Peter Johnson** completed his thesis entitled *Aspects of Regional Economic Analysis* in 2003. Dr Johnson is now working as a Senior Associate Consultant with ACIL Tasman. His work currently focuses on extending the economic model developed in his thesis.

**Yihui Lan** has been employed as a part-time research fellow in the Economic Research Centre at UWA since the completion of her PhD in 2003. Her work currently focuses on the stochastic approach to index numbers and the extension of the exchange rate models developed in her thesis.

**Kenneth Leong** completed his PhD in 2000. Since then, he has worked at the Research Departments of the Reserve Bank of Australia and the Bank of Finland in economic forecasting and determinants and persistence of inflation. Dr Leong is currently an economist at the Singapore Civil Service. He has published in Australian Economics Papers and Applied Economics.

**Vivian Salim** completed her PhD at the Economics Program and the Department of Information Management and Marketing in 2000. She subsequently joined CSIRO as a Research Scientist (Transport Analysis), working with Dr Nariida Smith’s transport research group in CSIRO Manufacturing and Infrastructure Technology. She is currently doing research on “intelligent transport systems” in the “low emissions transport” theme of the Energy Transformed Flagship Program.

**Clinton Watkins** completed his PhD thesis, entitled *Modelling Futures Prices, Returns and Volatility in Markets for Industrial Metals*, in 2003. During his candidature he received several competitive research grants. He has worked with the UWA Economics Program, the International Centre for Application of Solar Energy, the Australian Cooperative Research Centre for Renewable Energy, and EcoCarbon Incorporated; and is now Adviser, Markets Analysis and Research, Reserve Bank of New Zealand. He is a member of the Advisory Committee for EcoCarbon Incorporated, and has recently been Visiting Research Fellow at the EcoTechnology System Laboratory and Visiting Associate Professor at the Faculty of Economics, Yokohama National University, Japan. He has published in Mathematics and Computers in Simulation, and has a paper to appear in Journal of Economic Surveys.
15. HONOURS AND MASTERS STUDENTS’ TOPICS

The Economics Program had 23 students enrolled in the Honours/Masters programs in 2004. Details on the students, their dissertation titles and arrangements for supervision are as follows:

HONOURS STUDENTS


A. Ceber, Monetary Policy in a Low Interest Rate and Low Inflation Environment, supervised by Dr E. Juerg Weber.

B. Chua, Growth in Government and Economic Growth in Singapore: Pre and post Asian Currency Crisis, supervised by A/Prof. Yanrui Wu.


J. Coffey, Modelling Dynamic Conditional Correlations in the Returns to Spot, Forward and Future Prices, supervised by Prof. Michael McAleer

C. Gray, Monetary Interdependence Between Australia, New Zealand and the US: A Structural VAR Approach, supervised by Dr Timothy Kam.

M. Knezevic, Cost and Probability Analysis of Type II Diabetes in a WA Community Setting, supervised by Prof. Ken Clements/Dr Anh Tram Lee.


T.Q. Mai, Indo-Australian Economic Relations in Perspective: Trade, Investment, and Aid, supervised by Dr R.N. Ghosh.

J. Ng, The Real Effects of Financial Deregulation, supervised by Dr Juerg Weber.

N. Nugraweni, Are the Liberals or Labor the Better Economic Managers? supervised by Prof. Ken Clements.

C.A.H. Ong, Information in the Labour Market: Application to the Signalling and Screening of NBA Players, supervised by Prof. Paul Miller.

K.L.K. Ong, Regional Economic Activity in Malaysia, supervised by Dr Juerg Weber.

Y.F. Phua, Economic Effects of Casino Gambling in Australia, supervised by Prof. Paul Miller.
M. Sargeant, Banking: Regulation, Competition and the Social Welfare Consequences, supervised by Prof. Paul Miller.

E. Shackles, Debt relief: Alternative Thoughts, supervised by Dr Abu Siddique.

C.C. Su, Modelling Seasonal Returns and Volatility in Macroeconomic and Financial Variables, supervised by Prof. Michael McAleer

K.J.W. Sum, The Economics of Offshore Outsourcing, supervised by Dr David Butler.

F. Suttie, Environmental Policy, Property Rights and Economic Development Review and Analysis, supervised by Dr Abu Siddique.


T. Vivatsurakit, FDI and its Impact with Particular Reference to Economic Growth: The Case of Thailand, supervised by A/ Prof. Yanrui Wu.

R.Y.A. Yao, Change in Occupational Status of Immigrants to Australia, supervised by Dr Anh Tram Le.

MASTERS STUDENTS

A. Hakim, Modelling Returns and Volatility Spillovers Between Stock and Foreign Exchange Markets in Indonesia and Japan, supervised by Prof. Michael McAleer.
16. ACTIVITIES OF RECENT HONOURS, MASTERS AND GRADUATE DIPLOMA GRADUATES

The Economics Program has an excellent record in placing its Honours and Masters graduates in a variety of areas that embrace both the public and private sectors. Many of these graduates gain employment with organisations where competition for entry is extremely selective. The following sample shows where some previous Honours, Masters and Graduate Diploma students are currently employed.

**Rosemary Aung Thein**, Dimasi Strategic Research, Sydney

**Crystal Ossolinski**, RBA, Sydney

**Matt Browning**, Department of Treasury, Canberra

**Christina Yiwoon Owyong**, DBS Bank, Singapore

**Louise Carter**, RBA, Sydney

**Stephen Powell**, Department of Treasury, Canberra

**Andrew Ceber**, Department of Treasury, Canberra

**Oliver Richards**, Department of Treasury, Canberra

**Grace Chua**, International Enterprise, Singapore

**Matthew Sargeant**, NT Treasury Department, Darwin

**Lisa Church**, Wesfarmers Energy

**Agus Setiawan-Desen**, Bank of Indonesia

**Jeremy Yeow Meng Chua**, Citibank, Singapore

**Ellen Shackles**, Diploma of Education

**Joan Coffey**, RBA, Sydney

**Sharon Smith**, Department of the Prime Minister and Cabinet, Canberra

**Bernadette Donovan**, RBA, Sydney

**Kristi Stinson**, Chief Minister’s Department NT, Darwin

**Lauree Eterovich**, Commonwealth Bank, Perth

**Leo Sukatrilaksana**, Bank of Indonesia

**James Fogarty**, Lecturer Level A, UWA

**Litsa Vavakis**, Department of Treasury, Canberra

**Mark Knezevic**, RBA, Sydney

**Bernardo Veiga**, PhD Student, UWA

**Katrina Lapham**, Department of Treasury, Canberra

**Derby Voon**, Research Assistant, UWA

**Liam McCarthy**, Commsec, Commonwealth Bank, Sydney

**Patricia Wang**, Western Power, Perth

**Peter Nagy**, Department of Foreign Affairs and Trade, Canberra

**Pei Syn Wee**, GEMS Pte Ltd, Singapore

**Tracey Oliver**, Department of Treasury, Canberra

**Robin Wong**, Allen Consulting, Melbourne

**Zion Ong**, Commonwealth Bank of Australia, Perth

**Gina Yoon**, Hamersley, Perth
17. PRIZES

There are a number of prizes awarded to students in Economics and the Program is very grateful to the donors. The following is a list of prizes awarded in 2004.

<table>
<thead>
<tr>
<th>Prize</th>
<th>Winner(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Australian Finance Conference Prize in Monetary Economics</strong></td>
<td>Mr B. Ryan</td>
</tr>
<tr>
<td>Monetary Economics 210</td>
<td></td>
</tr>
<tr>
<td><strong>Chamber of Commerce and Industry of WA Prize in Business Economics</strong></td>
<td>Ms A. Kaye</td>
</tr>
<tr>
<td>Business Economics 245</td>
<td></td>
</tr>
<tr>
<td><strong>Dr Andrew M. Houston Memorial Prize in Economics</strong></td>
<td>Not yet known at time of printing</td>
</tr>
<tr>
<td>Highest aggregate of marks in first year of BEc</td>
<td></td>
</tr>
<tr>
<td><strong>Economic Society of Australia Honours Prize</strong></td>
<td>Ms L. Carter</td>
</tr>
<tr>
<td>Best student completing the BEc with Honours</td>
<td></td>
</tr>
<tr>
<td><strong>Economic Society of Australia (WA Branch) Prize in First-Year Economics</strong></td>
<td>Ms C. Chan</td>
</tr>
<tr>
<td>Highest marks in Microeconomics 101 and Macroeconomics 102</td>
<td></td>
</tr>
<tr>
<td><strong>Honours Research Paper Write-up Scholarships</strong></td>
<td>Ms L. Carter</td>
</tr>
<tr>
<td>$1000 prize awarded to students to write a research paper based on their thesis</td>
<td>Mr M. Knezevic</td>
</tr>
<tr>
<td><strong>Jacaranda Wiley Prize</strong></td>
<td>Not yet known at time of printing</td>
</tr>
<tr>
<td>Highest marks in Microeconomics 233 and Macroeconomics 234</td>
<td></td>
</tr>
<tr>
<td><strong>Japan Chamber of Commerce and Industry in WA Prizes in Japanese and Japanese Economic History and Contemporary Japanese Economy</strong></td>
<td>Mr T.K. Tao</td>
</tr>
<tr>
<td>Highest average mark in any two level 3 Japanese language units taken in the same year and the highest mark in either Japanese Economic History 262 or Contemporary Japanese Economy 264.</td>
<td></td>
</tr>
<tr>
<td><strong>McGraw-Hill Prize</strong></td>
<td>Ms N. Nachinga</td>
</tr>
<tr>
<td>BEc student with highest marks in Microeconomics 101 and Macroeconomics 102</td>
<td></td>
</tr>
<tr>
<td>Prize</td>
<td>Winner(s)</td>
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<td>----------------------------------------------------------------------</td>
<td>---------------------------------------------------------------------------</td>
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<tr>
<td>Milnes-Feed Prize in Business History</td>
<td>Not yet known at time of printing</td>
</tr>
<tr>
<td>Business History 252</td>
<td></td>
</tr>
<tr>
<td><strong>Pearson Education Australia Prize in International Finance</strong></td>
<td></td>
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<tr>
<td>International Finance 236</td>
<td></td>
</tr>
<tr>
<td><strong>Pearson Education Australia Prize in International Trade</strong></td>
<td></td>
</tr>
<tr>
<td>International Trade 235</td>
<td></td>
</tr>
<tr>
<td><strong>Thomson Learning Prize</strong></td>
<td></td>
</tr>
<tr>
<td>Highest marks in Microeconomic Theory 364 and Macroeconomic Theory 365</td>
<td>Not yet known at time of printing</td>
</tr>
<tr>
<td><strong>UWA Graduates Association Prizes</strong></td>
<td></td>
</tr>
<tr>
<td>Best students in second and third years of BEc</td>
<td>Not yet known at time of printing</td>
</tr>
<tr>
<td><strong>WA Treasury Prize and Finance Prize</strong></td>
<td></td>
</tr>
<tr>
<td>Public Economics 405 or Australian Economic Problems and Policies 401</td>
<td>Ms J. Coffey</td>
</tr>
<tr>
<td><strong>W.E.G. Salter Memorial Prize in Economics</strong></td>
<td></td>
</tr>
<tr>
<td>BEc student with highest aggregate marks in third year</td>
<td>Not yet known at time of printing</td>
</tr>
</tbody>
</table>
18. VARGOVIC MEMORIAL FUND

In 1956, the UWA Press published a book by Christopher A. Vargovic, entitled *A Survey of Structural Changes in the Western Australian Economy: A Statistical Interpretation*. In this book, Mr Vargovic wrote the following words as his first acknowledgement: “Without the financial assistance of the Research Fund of the University this study would have been impossible. I desire, therefore, to acknowledge the opportunity created in this way”. Against this background, Mr Vargovic left a generous bequest to the University to support research students in economics when he died in 1987. The interest earnings from the estate have been used over much of the past decade to financially assist honours, masters and PhD students to complete their research by providing them with bursaries ranging from $2,000 to $6,000. The Economics Program, as well as the students involved, greatly values the generosity and foresight shown by Mr Vargovic in establishing this fund, which has had the effect of substantially boosting the Program’s ability to attract and nurture promising young researchers in economics.

Mr Vargovic was born in Yugoslavia in 1920. Professor Alex Kerr, Vargovic’s mentor at UWA who is thanked very warmly in the Acknowledgements of his book, describes how he escaped from Yugoslavia after World War II by swimming across the sea to Trieste. He arrived penniless in Australia and went on to complete a BA with honours at UWA in the early 1950s (prior to the introduction of the BEc). After finishing at UWA, Mr Vargovic worked as Economic Research Officer for a number of years at the WA Employers’ Federation, which later became the Chamber of Commerce and Industry of WA. Professor Kerr says that Mr Vargovic had a successful career built on perseverance and hard work, and was very fond of the University that helped establish him in Australia.

The Vargovic Fund financed bursaries to the following students in 2003 and 2004:

<table>
<thead>
<tr>
<th>2003</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vanessa Divkovic</td>
<td>Chelsea Gray</td>
</tr>
<tr>
<td>Suhejla Hoti</td>
<td>Owen Chih-Hung Ho</td>
</tr>
<tr>
<td>Katrina Lapham</td>
<td>Ghim Way Wilson Lai</td>
</tr>
<tr>
<td>Nicola Salley</td>
<td>Mark Knezevic</td>
</tr>
<tr>
<td>Riaz Shareef</td>
<td>Ellen Shackles</td>
</tr>
<tr>
<td>Benardo Veiga</td>
<td>Riaz Shareef</td>
</tr>
<tr>
<td>Derby Voon</td>
<td>Peter Chan Chai Su</td>
</tr>
<tr>
<td>Gina Yoon</td>
<td>Kelvin Jia Wei Sum</td>
</tr>
<tr>
<td></td>
<td>Stephane Verani</td>
</tr>
<tr>
<td></td>
<td>Chee Kong Wong</td>
</tr>
</tbody>
</table>
19. PUBLICATIONS BY STAFF

During 2004, staff of the Economics Program published work in a substantial number of books, journals, and as contributions to books. A list of these publications is presented below. The list is divided into the following categories: (i) books and edited books/journals, (ii) journal articles, (iii) chapters in books and conference proceedings, (iv) other research publications, and (v) publications not included in previous report.

BOOKS AND EDITED BOOKS/JOURNALS


JOURNAL ARTICLES


CHAPTERS IN BOOKS AND CONFERENCE PROCEEDINGS


OTHER RESEARCH PUBLICATIONS


PUBLICATIONS NOT INCLUDED IN PREVIOUS REPORT


20. PUBLICATIONS BY HONOURS AND GRADUATE STUDENTS

In recent years, honours and postgraduate students in the Program have produced an impressive range of research publications, with work published as books, articles in refereed journals, chapters in books, and conference proceedings. Following is a list of work published in 2004.


Research findings from the Economics Program were circulated in 2004 through the Economics Discussion Papers Series. These discussion papers are distributed to universities, government bodies and individuals throughout the world. In many instances they are distributed as part of reciprocal arrangements, ensuring a constant flow into the Program’s library of discussion papers from leading overseas and Australian universities. The titles of the 2004 series are listed below. Copies may be obtained from the Economics Program or via the Program web site at:

http://www.ecom.uwa.edu.au/information_about/research/discussion_papersworking_documents/economics

<table>
<thead>
<tr>
<th>No.</th>
<th>Author(s)</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>04.01</td>
<td>Fogarty, J.</td>
<td>The Own-Price Elasticity of Alcohol: A meta-analysis.</td>
</tr>
<tr>
<td>04.02</td>
<td>Le, A.T., Miller, P.W.,</td>
<td>Early Childhood Behaviours, Schooling and Labour Market Outcomes:</td>
</tr>
<tr>
<td></td>
<td>Heath, A.C., Martin, N.</td>
<td>Estimates from a sample of twins.</td>
</tr>
<tr>
<td>04.03</td>
<td>Clements, K.W.</td>
<td>Pricing and Packaging: The case of marijuana.</td>
</tr>
<tr>
<td></td>
<td>Zhang, J.</td>
<td></td>
</tr>
<tr>
<td>04.05</td>
<td>Wu, Y.</td>
<td>Understanding International Food Consumption Patterns.</td>
</tr>
<tr>
<td>04.06</td>
<td>Clements, K.W.</td>
<td>Three Facts About Marijuana Prices.</td>
</tr>
<tr>
<td>04.07</td>
<td>Kam, T.</td>
<td>Two-sided Learning and Optimal Monetary Policy in an Open Economy Model.</td>
</tr>
<tr>
<td>04.08</td>
<td>Weber, E.J.</td>
<td>Monetary Policy in a Heterogeneous Monetary Union: The Australian experience.</td>
</tr>
<tr>
<td>04.09</td>
<td>McLure, M.</td>
<td>Interpreting the History of Economics.</td>
</tr>
<tr>
<td>04.11</td>
<td>Chan, G., Miller, P.W.,</td>
<td>Happiness in University Education.</td>
</tr>
<tr>
<td></td>
<td>Tcha, M.</td>
<td></td>
</tr>
<tr>
<td>No.</td>
<td>Author(s)</td>
<td>Title</td>
</tr>
<tr>
<td>------</td>
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</tr>
<tr>
<td>04.12</td>
<td>Miller, P.W., Mulvey, C., Martin, N.</td>
<td>A Test of the Sorting Model of Education in Australia.</td>
</tr>
<tr>
<td>04.13</td>
<td>Clements, K.W., Lan, Y.</td>
<td>Exchange Rates, Productivity, Poverty and Inequality.</td>
</tr>
<tr>
<td>04.15</td>
<td>Clements, K.W., Tcha, M.</td>
<td>The Larry Sjaastad Letters I.</td>
</tr>
<tr>
<td>04.16</td>
<td>Clements, K.W., Tcha, M.</td>
<td>The Larry Sjaastad Letters II.</td>
</tr>
<tr>
<td>04.18</td>
<td>Ho, O.C.H.</td>
<td>Determinants of Foreign Direct Investment in China: A sectoral analysis.</td>
</tr>
<tr>
<td>04.19</td>
<td>Hogan, W.P.</td>
<td>Policy Themes from Aged Care.</td>
</tr>
<tr>
<td>04.25</td>
<td>McLure, M.</td>
<td>Pure Duals, Derived Duals and Paretian Fiscal Sociology.</td>
</tr>
</tbody>
</table>
22. SEMINAR AND CONFERENCE PRESENTATIONS BY STAFF

Staff of the Economics Program made numerous presentations of their research during 2004. Below are details of these presentations.

David Butler presented a paper to the Department of Agricultural Economics at the University of Arizona in May, entitled “Imprecision as an account of the preference reversal phenomenon”. This paper was also presented this year by his co-author at the Foundations of Utility and Risk Theory conference in Paris in June, and to the Psychology Department at Warwick University, UK, in November.

Ken Clements presented “Pricing and Packaging: The Case of Marijuana” at La Trobe University and the Conference of Economists held at the University of Sydney. He also acted as discussant of Karen Wade’s paper “Entry Thresholds for Regional Victoria” at the PhD Conference in Economics and Business, held at ANU. At the UWA Conference on Free Trade Agreements he gave the after-dinner speech on “Larry Sjaastad, the Last Chicagoan” and at the PhD Conference at ANU he gave the after-dinner speech on “Bob Gregory.”

James Fogarty presented the paper “The own-price elasticity of alcohol: A meta-analysis”, at le vin de monde: histoire, management et commerce conference, March 2-4, University of Avignon, Provence, France.


Robin Ghosh presented a paper at the HETSA Conference at the University of Western Australia in July 2004. The paper was entitled “John Stuart Mill and the Idea of Progress”. He also presented an invited paper on “Indian Diaspora in Australia” at the Third International Conference in Trivandrum (India) in July 2004.

University, 10 September 2004 and “Consumption and Stock Prices: Can we Distinguish Signalling from Wealth Effects?”, School of Economics, University of Tasmania, 8 October 2004.

**Suhejla Hoti** presented five seminar papers and five conference papers in 2004. Her seminar papers were as follows: “Modelling the uncertainty in international tourist arrivals to the Canary Islands” at the School of Economics and Commerce, University of Western Australia, August 2004; “Modelling the uncertainty in international tourist arrivals to the Canary Islands” at the School of Economics and Finance, Curtin University of Technology, August 2004; “Modelling the uncertainty in international tourist arrivals to the Canary Islands” at the Department of Economics, University of Adelaide, October 2004; “Modelling the uncertainty in international tourist arrivals to the Canary Islands” at the School of Accounting, Finance and Economics, Griffith University, November 2004; and International tourism demand and volatility for the Canary Islands at the Services Industry Research Centre, Griffith University, November 2004. Her conference presentations included “International tourism demand and volatility for the Canary Islands” (with C. Leon and M. McAleer), “Modelling ratings effects in country risk” (with F. Chan and M. McAleer), “Modelling the volatility in country risk for small island tourism economies” (with M. McAleer and R. Shareef), “Modelling environmental risk” (with M. McAleer and L. Pauwels) and “Measuring environmental risk” (with M. McAleer and L. Pauwels), at the Biennial Meeting of the International Environmental Modelling and Software Society, Osnabrueck, Germany in June 2004.

**Timothy Kam** presented “Two-sided Learning and Optimal Monetary Policy in an Open Economy Model” at seminars in Hong Kong University of Science and Technology, University of Hong Kong, Hong Kong Institute of Monetary Research and Hong Kong Monetary Authority, Korea Development Institute, and the research department of Bank of Korea. He also presented “Optimal Interest Rate Smoothing in a Small Open Economy” at the Australian National University.


**Anh Tram Le** presented a seminar in the Economics Program UWA on, “Female participation in the Australian labour market: Do changes in migration selection matter for primary and tied movers?”

**Michael McAleer** presented 38 seminar papers and 17 conference papers in 2004. His seminar papers were as follows: “Automated inference and learning in modelling financial volatility” and “Generalized autoregressive conditional correlation” at the Institute of Economics, Academia Sinica, Taiwan, October 2004; “Automated inference and learning in modelling financial volatility” and “Generalized autoregressive conditional correlation” at the Bank of Italy, February 2004; “Modelling country risk and uncertainty in small island tourism economies” and “Modelling multivariate international tourism demand and
volatility” at the Department of Statistics, Carlos III University of Madrid, February 2004; “Automated inference and learning in modelling financial volatility” and “Generalized autoregressive conditional correlation” at the Department of Finance, Chinese University of Hong Kong, July 2004; “Automated inference and learning in modelling financial volatility” at the Department of Economics, Complutense University, Madrid, February 2004; “Automated inference and learning in modelling financial volatility” at the School of Economics and Finance, Curtin University of Technology, August 2004; “Automated inference and learning in modelling financial volatility” and “Generalized autoregressive conditional correlation” at Ente “Luigi Einaudi”, Rome, February 2004; “An econometric analysis of asymmetric volatility: theory and application to patents”, “Generalized autoregressive conditional correlation and Structure and asymptotic theory for multivariate asymmetric volatility: empirical evidence for country risk ratings” at the Fondazione Eni Enrico Mattei, Milan, January 2004; “Automated inference and learning in modelling financial volatility” and “Modelling and forecasting dynamic VaR thresholds for risk management and regulation” at the School of Accounting, Finance and Economics, Griffith University, November 2004; “Modelling multivariate international tourism demand and volatility” at the Services Industry Research Centre, Griffith University, November 2004; “Automated inference and learning in modelling financial volatility” at the Department of Information and Systems Management, Hong Kong University of Science and Technology, July 2004; “Dynamic leverage and threshold effects in stochastic volatility models” and “Trading day effects in stochastic volatility and exponential GARCH models” at the Department of Mathematics, Hong Kong University of Science and Technology, July 2004; “Automated inference and learning in modelling financial volatility” and “Modelling and forecasting dynamic VaR thresholds for risk management and regulation” at the Ling Tung Institute of Technology, Taiwan, October 2004; “Automated inference and learning in modelling financial volatility” and “Modelling and forecasting dynamic VaR thresholds for risk management and regulation” at the Department of Economics, Macquarie University, December 2004; “Herding, information cascades and volatility spillovers in futures markets” at the Department of Economics, National University of Singapore, February 2004; “Automated inference and learning in modelling financial volatility” and “Dynamic leverage and threshold effects in stochastic volatility models” at the Department of Finance and Accounting, National University of Singapore, February 2004; “Automated inference and learning in modelling financial volatility” and “Generalized autoregressive conditional correlation” at the Department of Labour and Public Finance, Pompeu Fabra University, Barcelona, February 2004; “Automated inference and learning in modelling financial volatility” and “Modelling and forecasting dynamic VaR thresholds for risk management and regulation” at the School of Economics and Finance, Queensland University of Technology, November 2004; “Automated inference and learning in modelling financial volatility” and “Generalized autoregressive conditional correlation” at the Department of Economics, UNED (Spanish Open University), February 2004; “Automated inference and learning in modelling financial volatility” at the Department of Economics, University of Adelaide, May 2004; “Generalized autoregressive conditional correlation” and “Structure and asymptotic theory for multivariate asymmetric volatility: empirical evidence for country risk ratings” at the Department of Quantitative Methods, University of Las Palmas de Gran

Paul Miller presented “Undereducation and Overeducation in the Australian Labour Market” to the 2004 Conference of Economists in Sydney in September, and also at Murdoch University in October. Also presented “Factors Influencing Students’ Decisions on HECS Payments” to the 2004 Productivity Commission Conference “Quantitative Tools for Microeconomic Policy Analysis” in November.

Pamela Statham was the keynote speaker at the Affiliated Historical Societies Conference at Toodyay, WA 10-12 September 2004, the paper titled “Why Convicts were introduced to Western Australia and What was their Legacy?” She also spoke on “Writing Stirling” to the Friends of Battye Library, 26th October 2004.

MoonJoong Tcha presented his paper entitled “Commodity Currencies and Real Exchange Rate Determination” (co-authored with M. Lee) to the International Forum on Monetary and Financial Cooperation for Asia at the Seoul National University in February. In March, he presented “An Analysis of Economics Education for High School Students” to the Symposium organised by The Korean Economy Daily. He also presented “Structural Changes in Industry and Trade in Korea” to the Korea Development Institute (KDI) 33rd Anniversary International Conference in April, and to the Conference on Korea and the World Economy at Sungkyunkwan University in June. His presentations included “Productivity and Patterns of Trade – The Experience of Korea in the 1990s” to the KDI-KAEA (Korean-American Economic Association) Joint Conference at KDI in June, and to the Association of International Business Conference at Stockholm in July. In October, he presented the paper “The Range of the Real Exchange Rate and Its Implication for the Korean Economy” at the Institute of International Economics at Washington DC. He also presented several papers at university seminars, including Ewha Women’s University and Kangwon National University in Korea.

George Verikios presented “A Model of the World Wool Market” at the Centre of Policy Studies/Impact Project, Monash University, in July; at the University of Western Australia Economics Discipline Seminar, in August; and at the PhD Conference in Economics and Business at the Australian National University, Canberra, in November.

Jo Voola presented “Strategic Interactions in the Petroleum Industry” at Murdoch University, WA May 2004; “Competitive Behaviour and Industry Structure: A Case Study of the Petroleum Industry” at the Business and Economics Society

**Juerg Weber** contributed papers to the 9th Australasian Macroeconomic Workshop, which met at the Australian National University in April, and to the Economic Education Conference, which was held at the University of South Australia in July. He presented “Monetary Policy in a Heterogeneous Monetary Union: The Australian Experience” at the Macroeconomic Workshop and “Optimal Control Theory for Undergraduates” at the Economic Education Conference. He also presented these papers in the Business School Seminar Series at Murdoch University (Monetary Policy) and in the Economics Seminar Series at the University of Western Australia (Optimal Control Theory).

**Yanrui Wu** gave presentations at the International Conference on Free Trade Agreements in the Asia-Pacific Region: Implications for Australia (UWA), Asia-Pacific Productivity Conference 2004 (The University of Queensland) and 16th Annual Conference of the Association for Chinese Economic Studies Australia (The University of Queensland).
23. SEMINAR AND CONFERENCE PRESENTATIONS BY HONOURS, MASTERS AND GRADUATE DIPLOMA GRADUATES

Students of the Economics Program made numerous presentations of their research during 2004. Below are details of these presentations.


Joan Coffey presented “Modelling Dynamic Conditional Correlations in Spot, Forward and Futures Returns” at the National Honours Colloquium at UNSW in August.

Owen Chih-Hung Ho presented “Determinants of Foreign Direct Investment in China: A Sectoral Analysis” at the Association for Chinese Economic Studies Australia (ACESA), Brisbane, in July, and at the Economic Seminar at UWA in May. The paper is soon to be published for the ACESA conference proceedings.

Duc Vo Hong presented “Estimating the Size of the Shadow Economy in Vietnam” at a Conference at Osaka University, Japan on 13\textsuperscript{th} and 14\textsuperscript{th} November 2004.

Lisa Soh presented “How Different are Universities from Companies? Financial Reporting and Remuneration Perspectives” at the National Honours Colloquium at UNSW in August and “The Market for Vice-Chancellors” at the Australian Labour Market Workshop at UWA in December.


C.K. Wong presented “Information Technology, Productivity and Economic Growth in China” at a conference organized by the Association for Chinese Economic Studies (Australia) held in July at the University of Queensland.
24. OTHER PROFESSIONAL ACTIVITIES

Staff members of the Economics Program have been very active in taking part in various additional professional activities. A selection of these activities follows.

**Elisa-Rose Birch** is the Secretary of the Economic Society of Australia, WA Branch. She recently co-authored a paper with Paul W. Miller entitled “The Determinants of Students’ Tertiary Academic Success” which was presented at the Productivity Commission Conference on Quantitative Tools for Microeconomic Analysis. Elisa-Rose was also a discussant at the Australian Labour Market Research Workshop held at the Centre for Labour Market Research.

**David Butler** is a member of the American Economic Association. He attended a variety of Professional gatherings in the US in the first half of 2004, including the American Economic Association meeting in San Diego and an interdisciplinary workshop on Decision Making in Tucson Arizona. He was a visiting Assistant Professor of Economics at the University of Arizona for two years until his return to UWA in July of this year.

**Ken Clements** is a member of the Research Committee of the Institute of Public Affairs and the Council of Advisors of the Centre for Independent Studies. He is also a member of the University’s Board of Postgraduate Studies.

**Paul Crompton** was again appointed as the Chief Examiner by the Curriculum Council of Western Australia for TEE Economics in 2004. He was also interviewed on ABC Radio regarding his work on the global iron ore and steel industry in conjunction with BHP Billiton. Dr Crompton is also primary author of an introductory macroeconomics textbook, *Macroeconomics: A Contemporary Introduction*, published by Thomson Learning. The second edition was published in 2004. Since its first release in 2002, over 6000 copies have been sold and it has been used in large undergraduate courses at The University of Western Australia, Curtin University, the University of New South Wales, the University of Sydney and the University of New England. Furthermore it has been used in postgraduate courses at the University of Queensland.

**Mel Davies** was re-elected as Secretary/Treasurer of the Australian Mining History Association in 2003, after filling those positions since 1994. He has been responsible for producing a quarterly newsletter and organising the Annual Association Conferences, the most recent being held in Broken Hill in July. He is also editor of the *Journal of Australasian Mining History*. In the international sphere, he was a member of both the Program and Organising Committees for the 6th International Mining History Congress at Akabira, Hokkaido, Japan and was re-elected at the Business Meeting to serve as Secretary and coordinator of the 2006 Congress to be held in Belgium.

**Rony Gabbay** was a visiting Professor at Notre Dame University, Australia during 2004 and was a guest speaker on “Current Political Development in the Middle
East” at three different Lion’s Club meetings and two Freemason Club meetings during 2004.

**Brian Gidney** was a member of the marking panel for TEE examinations in Economics, and also presented revision seminars in Economics for TEE students.

**Nic Groenewold** refereed for the following journals in 2004: *Australasian Journal of Regional Science*, *Economic Record*, and *Macroeconomic Dynamics*. He spent six months as a Visiting Scholar at The Hong Kong University of Science and Technology and a semester as a Visiting Associate Professor at Monash University and visited the Chinese University of Hong Kong, Xi’an Jiaotong University, Hunan Normal University and the University of Tasmania for research purposes. He was continued as a member of the editorial board of the *Economic Record*.

**Suhejla Hoti** has been a Member of the Program Committee of the 2004 International Environmental Modelling and Software Society Conference, Osnabrueck, Germany; Member of the Program Committee of the 2005 International Conference on Simulation and Modelling, Bangkok, Thailand; Member of the Program Committee of the 2005 International Congress on Modelling and Simulation, Melbourne, Victoria; Member of the Program Committee of the 2006 International Environmental Modelling and Software Society Conference, Burlington, Vermont, USA; Member of the International Association for Mathematics and Computers in Simulation Technical Committee on Computational Finance since 2004; Member of the International Association for Mathematics and Computers in Simulation Technical Committee on Computing and Simulation of Risk since 2004; and a referee for several international refereed scholarly journals. For research purposes, in 2004 she visited the Research Department at the Bank of Italy, Rome; the Department of Public Economics, University of Rome “La Sapienza”; the Department of Economics at the University of Rome “Tor Vergata”; the Ente Luigi Einaudi (Research Institute), Rome; the Department of Economic Sciences at the University of Venice ‘Ca’ Foscari’; the Research Group for Theoretical and Applied Economics (GRETA), Venice; the Faculty of Economics, University of Tirana, Albania; the Faculty of Economics, University of Shkoder, Albania; the Department of Economics, University of Alicante, Spain; the Department of Public Finance, Pompeu Fabra University, Barcelona; the Department of Applied Economics, University of the Balearic Islands, Palma de Mallorca, Spain; the Department of Economics at the University of Adelaide; the School of Accounting, Finance and Economics at Griffith University; and the School of Tourism, Leisure, Hospitality and Sport at Griffith University.

**Timothy Kam** is a member of the American Economic Association, Society for Economic Dynamics, and the Econometric Society. He is also a research associate at the Centre for Applied Macroeconomic Analysis, Australian National University. He has been a referee for the Economic Record.

**Tram Le** is a research associate with the Centre for Labour Market Research at UWA.
Michael McAleer has been Vice-President of the Modelling and Simulation Society of Australia and New Zealand since 1991; Foundation Chair of the International Association for Mathematics and Computers in Simulation Technical Committee on Modelling Socio-economic Systems since 1992; Member of the International Task Force on Forecasting Environmental Change at the International Institute for Applied Systems Analysis, Laxenburg, Austria since 1993; Foundation Member of the Technical Advisory Board, International Institute of Environmental Sciences and Environmental Computing since 1997; Member of the Leading Team for the design and implementation of a Diploma in Environmental Sciences, International Institute of Environmental Sciences and Environmental Computing since 1997; Foundation Vice-President of the International Environmental Modelling and Software Society since 1999; Chair of the Medals and Fellowship Committee of the International Environmental Modelling and Software Society since 2002; Foundation Vice-President of the Australia and New Zealand Chapter of the Society for Computer Simulation since 1999; Foundation Chair of the International Association for Mathematics and Computers in Simulation Technical Committee on Computational Finance since 2004; Foundation Chair of the International Association for Mathematics and Computers in Simulation Technical Committee on Computing and Simulation of Risk since 2004; Member of the Scientific Advisory Board and Program Committee of the 2004 International Environmental Modelling and Software Society Conference, Osnabrueck, Germany; Member of the International Program Committee of the 2004 International Conference on Environmental Modelling and Simulation, International Association of Science and Technology for Development, Virgin Islands, USA; Member of the International Technical Committee and Program Committee of the 2005 International Conference on Simulation and Modelling, Bangkok, Thailand; Member of the Scientific Advisory Board and Technical Committee of the 2005 International Congress on Modelling and Simulation, Melbourne, Victoria; Member of the International Program Committee of the 2005 International Conference on Applied Simulation and Modelling, International Association of Science and Technology for Development, Benalmadena, Spain; Member of the Scientific Advisory Board and Program Committee of the 2006 International Environmental Modelling and Software Society Conference, Burlington, Vermont, USA; assessor for the Australian Research Council Discovery, Linkage and Fellowship Grants, National Science Foundation (USA), Hong Kong Research Grants Council, and Nuffield Foundation for Research in the Social Sciences (UK); assessor for the Centres of Excellence evaluation for the Royal Society of New Zealand; external graduate thesis examiner for the Department of Economics at the Chinese University of Hong Kong, Department of Economics at the National University of Singapore, the Institute of Advanced Studies at the Australian National University, the Department of Economics at Monash University, and the School of Economics and Political Science at the University of Sydney; referee for numerous international refereed scholarly journals; and beta testing of computer software for various scientific publishers. For research purposes, in 2004 he visited the Institute of Economics at Academia Sinica in Taipei, the Bank of Italy in Rome, the Department of Statistics at Carlos III University of Madrid, the Department of Finance at the Chinese University of Hong Kong, the Department of Economics at Complutense University, Madrid, the Fondazione Eni Enrico Mattei, Milan, the School of Accounting, Finance and Economics at Griffith University, the
School of Tourism, Leisure, Hospitality and Sport at Griffith University, the Department of Information and Systems Management at the Hong Kong University of Science and Technology, Hong Kong, the Department of Mathematics at the Hong Kong University of Science and Technology, Hong Kong, the Ling Tung Institute of Technology, Taiwan, the Department of Economics at the National University of Singapore, Singapore, the Department of Finance and Accounting at the National University of Singapore, Singapore, the Department of Economics at the University of Adelaide, the Department of Quantitative Methods at the University of Las Palmas de Gran Canaria, Spain, the Department of Applied Economic Analysis at the University of Las Palmas de Gran Canaria, Spain, the Department of Economics at the University of Milan, the Department of Statistics at the University of Milan-Bicocca, the Department of Economics at the University of Rome “Tor Vergata”, the Department of Economics at the University of the Balearic Islands, Palma de Mallorca, Spain, the Department of Economic Sciences at the University of Venice ‘Ca’ Foscari’, and the Department of Economics at the University of Vigo, Spain.

Michael McLure is a research associate with the Centre for Labour Market Research, a member of the Economic Society of Australia and a member of the History of Economic Thought Society of Australia. In 2004 he organised the 17th Conference of the History of Economic Thought Society, convened at UWA between 6 and 9 July 2004, and was appointed to the editorial board of the History of Economics Review. Michael was also a discussant at the Australian Labour Market Workshop, convened 6-7 December at the University of Western Australia.


Abu Siddique is a member of Observatorie Des Relations Internationales Dans L'Hémisphère Sud (ORHIS) Biviers (France). He has been a Member of the Economics Syllabus Committee of the Curriculum Council of Western Australia since 1994 and Convenor of the Tertiary Nominating Panel for Economics of this Organisation. He is one of the course advisers of the Faculty of Arts. He also is a member of the editorial board of the International Journal of Business Studies, Vice-President of Bengali Music and Cultural Centre and State (WA) co-ordinator of Transparency International Australia.

Pamela Statham’s Stirling book was short-listed for the Premier’s Book Award for 2004, and at the Governor’s request she brought out a short illustrated version titled James Stirling and the Birth of Perth for the State’s 175th centenary year with the aid of a $5000 grant from the 175th Centenary Celebration Committee. As President of the Friends of Battye Library and of the Historical Records Rescue Consortium Dr Statham spent many hours raising community awareness of the need for conservation of rapidly deteriorating film, newspaper, photographic negatives and oral history tapes in the State's Battye Library, culminating in the submission on June 30th of a $6 million funding application to Lotterywest. Subsequent meetings with officials from the Department of Culture and the Arts and Lotterywest have followed and the result is due to be announced early in 2005. Dr Statham has also reviewed three manuscripts for
the University of WA Press and completed a chapter for their forthcoming history of the Press on the Charles and Joy Staples South-West Publication Fund, with which she was involved for many years. She also gave a speech on the 23rd October to those participating in the 175th Celebration Train Ride, together with the Mayors of Perth, Guildford and Fremantle.

MoonJoong Tcha is currently working as Visiting Fellow at the Korea Development Institute, a government think-tank for economic policy advice, and acted as project manager for the project of “Housing Problems and Policy Studies.” He joined the Advisory Board of the Council of Policy Advice to the President (Real Estate Part), and the Committee for High School Economics Literacy Competition in Korea. He gave special lectures to high school teachers in the stream of social science, and also completed research reports regarding various issues of the Korean economy such as trade and competitiveness, exchange rate volatility, radio communication network construction and house prices. He also served as a referee for several academic journals.

Juerg Weber serves as Honorary Consul for Switzerland in Western Australia.

Yanrui Wu visited the Development Research Centre of the State Council (Beijing), China Development Institute (CDI) in Shenzhen, Anhui University and Asian Agribusiness Research Centre, University of Sydney. He was invited to speak at the workshop, “The China Story: Resources and Beyond”, organized by the Committee for Economic Development of Australia. He also acted as an anonymous referee for several international journals.