Joseph Stiglitz Presents the
Inaugural Crawford School Oration

"I think the crisis has brought home a large number of lessons about economics (and) about finance. The silver lining on this particular cloud is that if we learn those lessons then hopefully ... we can succeed in making crises less frequent, less deep and less costly and that, I hope, is the lesson, the opportunity that this crisis provides." Joseph Stiglitz at Crawford School Oration.

On 3 August Nobel Prize winning economist Joseph Stiglitz presented the inaugural Crawford School Oration. Speaking to an audience of over 1300 people at Llewellyn Hall, ANU, Professor Stiglitz addressed major public policy issues in the areas of the Global Financial Crisis, financial reform and climate change. Entertaining as well as informative, this Oration shared with the audience the insights of one of the world's most renowned economists.

Professor Stiglitz is University Professor at Columbia University in New York and Chair of Columbia University's Committee on Global Thought. He has made major contributions to macro-economics and monetary theory, to development economics and trade theory, to public and corporate finance, to the theories of industrial organisation and rural organisation, and to the theories of welfare economics and of income and wealth distribution.

Professor Stiglitz toured Australia as the inaugural speaker of the Economics Society of Australia Eminent Speaker Series. The Economics Society of Australia Eminent Speaker Series is supported by PricewaterhouseCoopers and QANTAS.
I n early 2010, the Crawford School and staff members welcomed two new units to the School: the Arndt-Corden Division of Economics and the Resource Management in Asia-Pacific Program. Both were formerly part of the Research School of Pacific and Asian Studies.

The Arndt-Corden Division of Economics is convened by Professor Peter Warr. Its staff is actively engaged in work on theoretical and applied problems of international economics and development, with emphasis on the countries of Southeast, Northeast and South Asia, and the Southwest Pacific.

The late Professor Heinz Arndt was the first head of the division and Professor Max Corden the second. The work of Heinz Arndt is renowned throughout Asia, while Max Corden’s work is well known among international economists. Both played a crucial formative role in the intellectual history of the division.

The distinctive feature of the division, and the key to its enduring academic success, is the intersection of two different but complementary forms of expertise: a high level of disciplinary competence in applied economics, and deep regional knowledge supplemented by extensive on-the-ground experience.

Staff members are intensively engaged in research, teaching and doctoral student supervision. Their academic interests range from macroeconomics and finance, agriculture, industrialisation and the economics of poverty to labour migration, environmental policy, decentralisation and international trade and capital flows. The Arndt-Corden Division of Economics is home to the Australia–South Asia Research Centre, the Indonesia Project and the Poverty Research Centre.

The Resource Management in Asia-Pacific Program is convened by Dr Colin Filer. It was founded on the assumption that no single academic discipline can provide effective solutions to complex problems of environmental and resource management in different parts of the Asia-Pacific region. It now lends its own distinctive approach to the Crawford School’s existing reputation for policy-relevant teaching and research in the broad fields of environment and development.

The disciplines currently represented in the Program include social anthropology, political science, economics, human geography, systems ecology and development studies. Faculty members have a shared interest in the application of fieldwork-based research to complex policy issues at different levels of political organisation. Most of their research activities are focused on specific resource sectors within specific countries – the forestry sector in Indonesia, for example, or the mining sector in Papua New Guinea. Other subjects of particular interest to staff and students include climate change, land tenure, large and small-scale agriculture, fisheries and marine ecosystems, natural hazards and biodiversity conservation.

The Program also hosts the newly established Master of Natural Hazards program (http://naturalhazards.anu.edu.au/master), a joint venture between the College of Asia and the Pacific and the College of Physical and Mathematical Sciences.

For a relatively small academic area, the Program maintains a lively, innovative and visible outreach program of seminars and debates on issues of research and policy significance. It runs its own seminar series, incorporating presentations from its academic staff, collaborators from other parts of the ANU and visitors from outside the ANU.

To make its research findings widely available to a regional audience, the Resource Management in Asia-Pacific Program has established the Asia-Pacific Environment Monograph series, which is published online by ANU E Press (http://epress.anu.edu.au/titles/apem.html).

More articles about the research, teaching and outreach activities of the Arndt-Corden Division of Economics and the Resource Management in Asia-Pacific Program will appear in future editions of this newsletter.
Australia has long been a frontrunner in public sector reform, with much attention on the recently released blueprint setting out the next generation of reforms. In 2009 the Australian prime minister set the ambitious goal of creating the world’s best public service – one able to deliver strategic policy advice to address challenges that cross organisational, jurisdictional, sectoral and even national boundaries to create complex, multi-level puzzles.

Called Ahead of the Game, the ambitious blueprint for the Australian public service was released in March this year. It signals a reform era focused on building the strategic policy capacity of the public service, delivering large-scale investment in human capital and instituting a major culture change program. The blueprint puts the notion of collaborative, whole-of-government models front and centre.

In a recent article (Australian Journal of Public Administration, 2009), Janine O’Flynn argues that a “cult of collaboration” is already emerging in public policy circles. It is easy to see why this concept is gaining so much attention. Collaboration offers a model underpinned by the sharing of goals, risk, turf, power, resources and information, and many have argued that it can reduce conflict, build trust, and increase efficiency, effectiveness and quality.

In an environment where public organisations are asked to deliver more with less, but political demand to crack seemingly intractable problems only intensifies, approaches that have the potential to marshal expertise and resources across boundaries offer a powerful operating framework. In practice, however, their potential is often undermined by the hard grind of conducting cross-bounded collaborative work, and by deeply entrenched cultural and structural barriers.

Recent experiments in Australia provide a powerful reminder of the challenges ahead for reform architects. As part of a large-scale research project to pinpoint the barriers and enablers to effective whole-of-government operations, O’Flynn and colleagues at three universities have been looking at a range of cases across six commonwealth government organisations, from the cross-agency, cross-sectoral, inter-jurisdictional arrangements for pandemic preparedness to the multi-agency, co-locational models used in Indigenous Coordination Centres. Their initial findings reveal the complexities of such arrangements, the importance of incentives and goal alignment, and the power of personal leadership in making collaborative approaches work. Understanding these factors will help reformers better configure the public service for 21st-century policy challenges.

A number of papers looking at the issues raised here are available at http://www.crawford.anu.edu.au/staff/joflynn.php
What does the rise of China and India portend for world order in the 21st century? Andy Kennedy has grappled with this question by delving into debates about international cooperation within these two countries. Focusing on a few key issues, he asks how Chinese and Indian policy-makers perceive the prospects for cooperation with the outside world – and how those perceptions are changing over time.

In the case of China, Kennedy’s research focuses on the related problems of energy security and climate change. Traditionally, Beijing has taken a nationalistic view of these challenges, limiting its cooperation with other countries. Drawing on interviews with Chinese policy-makers and experts and on a wide range of Chinese publications, Kennedy documents how more progressive perspectives on these problems have emerged in the past five years. While China’s government remains wary of international commitments, deliberations on energy security and climate change in China are broader and more complex today than ever before. This widening debate offers the outside world new opportunities to engage China on these issues in the years ahead.

In the case of India, Kennedy asks how the Indian government seeks to position itself in the international nuclear order – long a central issue in India’s foreign relations. India’s first prime minister, Jawaharlal Nehru, was renowned as a pioneer in nuclear arms control and disarmament. In the post-Cold War era, however, India has taken a more sceptical view of international institutions in this field. Kennedy’s work explores the reasons and processes behind this shift in approach and considers the prospects for more cooperative policies in the future.

Kennedy’s initial findings on China’s changing thinking on energy security has just been published in the journal *Survival*, with additional papers in preparation.

Read More


Based on the East Asian model of export-led growth, it is rational to argue that increased exports will increase national income. Though controversial, core trade theories such as Heckscher–Ohlin suggest that trade influences growth by deepening physical and human capital and improving total factor productivity, while the Kuznets inverted-U-shaped environmental curve emphasises that, with higher national income, more effort will be made to improve environmental quality. Thus, the link between trade and growth and then environmental quality appears to be logical.

However, it is difficult to conclude that increased exports and improved environmental quality will directly reduce poverty, unless one has information about the scale of production, the composition of production and the type of technology used in production. Mass production and exports usually lead to increased pollution, although with energy-efficient technology the level of pollution can be reduced (see Figures 1 and 2). When the composition of production is taken into account, the link between trade and poverty reduction becomes clear. To achieve sustainable growth through trade while simultaneously reducing poverty, exports need to be focused on the production of those goods that the poor predominantly make.

If labour-intensive manufacturing is carried out with inefficient technology, the benefits of exports for poverty reduction may be diminished because of the cost of cleaning up the damaged environment. Trade that is not backed by sound environmental policy can increase pollution and encourage overuse of environmental resources, thereby degrading and depleting the natural resources on which the poor depend. So, it is exports of labour-intensive goods combined with sound environmental policy that have the greatest potential to reduce environmental damage and alleviate poverty.

This requires increased international cooperation and mutual recognition of technical standards and regulation across countries. Yet, environmental policy in the form of standards higher than international norms may affect market access and become non-tariff barriers.
Among other things, services-led growth and trade in environmental goods and services provide avenues to achieve the objective of promoting trade that has little or no negative impact on the environment. As well as being environmentally friendly, trade in environmental goods and services can have a significant effect on the pace of poverty reduction. This does not mean that manufacturing-led growth should be neglected completely. Rather, it means that the shares in GDP of services and trade in environmental goods and services should be increased from present levels, and that environmentally friendly technologies should be used in manufacturing.

The findings of this research have been published as a chapter in the following book:


**Figure 1**: Relationship between export growth and CO₂ emissions growth, ASEAN

**Figure 2**: Relationship between export growth and CO₂ emissions growth, South Asia

Source: UN Comtrade database; World Development Indicators database.
Decentralisation and Governance in Rural India

RAGHBENDRA JHA

Raghbendra Jha is working with researchers at the National Council of Applied Economic Research (NCAER) in New Delhi, India, on a project called “Globalisation, growth and poverty”.

Raghbendra Jha is the Rajiv Gandhi Professor of South Asian Economics and Executive Director of the Australia–South Asia Research Centre in the Arndt–Corden Division of Economics. His NCAER collaborators are led by Professor Hari K. Nagarajan. Raghbendra Jha’s participation in the project is funded by a two-year research grant from the NCAER and Canada’s International Development Research Centre (IDRC).

Under the auspices of this project, Jha is conducting research on various aspects of rural governance in an attempt to establish whether decentralisation of governance, put into effect in India through the Panchayati Raj amendment to the constitution, and the creation of appropriate institutions have been effective in achieving inclusive, pro-poor growth. The research addresses the process of effective provision of local public goods as well as impediments to their supply.

The project seeks to answer the following questions:

1. Is there evidence of elite capture and corruption in village-level councils (panchayats) in India? This should increase understanding of whether interest groups at the village level are interfering with community participation.

2. Has decentralisation increased fiscal buoyancy? If it has, this could be expected to lead to better allocation and improved management of financial resources within the jurisdictions concerned.

3. Has decentralisation reduced coordination failure (defined as inability to provide local public goods that lead to development)? Improved coordination could result in better selection of projects.

4. Have women and other disadvantaged groups benefited from decentralisation? This could suggest directions to better target such groups in the critical areas of health and education.

5. Is service delivery through decentralised forms of government more efficient than under centralised provision? This would shed light on the question of the “magnitude” of decentralisation, a matter of concern to policy-makers.

6. How does decentralisation affect affirmative action programs? This research examines the impact decentralisation has had on affirmative action-based policies for women and other disadvantaged groups.

A unique feature of this project is its use of panel-level household and village data. NCAER has been collecting such data since 1969, with surveys carried out in 1969, 1970, 1971, 1982, 1999 and 2006. Each round of the survey has three components: listing sheets; community or village questionnaires; and household schedules. This results in a wealth of information on local governance, participation in governance by households, quality of governance, provision of local public goods, evaluation of service delivery and other issues germane to the evaluation of the effectiveness of local governance.

Research from the project will lead to a number of tangible results, including:

1. A report on the process of governance in rural India, to be called the “India rural governance report”. It will summarise the conclusions from the research and distil the policy recommendations.

2. Several policy briefs and web and media-based articles with a policy flavour.

3. Several research papers intended for publication in leading international journals.

4. A monograph on decentralisation and governance.

5. Four policy roundtables and one international conference at the end of the project.

6. Substantial web resources.

The project is backed by an international advisory team consisting of leading researchers from the United States and India. Two substantial papers have already been written and several policy and advisory forums organised. The project is expected to be completed in 2011–2012.
Since environmental issues first appeared on the political and social agenda in the 1960s, our knowledge of their causes and effects has improved greatly. Today, environmental management is informed by a large body of research from both the physical and social sciences. Yet unfortunately, these additional insights and knowledge have not always translated into effective action. Most significantly, our institutions and decision-making processes have failed to deal with the inherent complexity and politics of environmental issues. As a consequence, progress in addressing our impacts on the environment has been painfully slow.

A new book by Dr Carolyn Hendriks (together with Ronnie Harding and Mehreen Faruqi), *Environmental Decision-making: Exploring Complexities and Context* (Federation Press 2009), aims to improve our understanding of the socio-political context of decisions on environmental dilemmas in Australia. This context includes public expectations as well as the formal and informal structures and processes for environmental decision-making. These in turn are influenced by other layers of complexity, including values, political systems, multiple actors in and outside government, competing forms of knowledge on the state of the environment and wider contextual issues such as the global financial crisis.

To explore these and other themes, the authors draw on literature from a range of disciplines, including political science, law, economics, philosophy, natural sciences, geography, engineering and sociology. The book is rich with practical examples and provides three extensive case studies that illustrate the complexities and contestations of environmental decision-making (the container deposit legislation, the Gunns pulp mill and Toowoomba’s sewage recycling project).

*Environmental Decision-making* is aimed at environmental professionals, whether from a scientific, technical or social science background. It will also be relevant for people employed in government agencies, research organisations, the private sector or other non-government organisations whose work brings them into contact with environmental professionals or has some influence on sustainability outcomes.
In April, the main lecture theatre at the University of Papua New Guinea (UPNG) was filled to capacity for the Crawford School’s presentation of its annual PNG Update. In addition to students, academics, professionals, public servants and members of the international donor community, the event was attended by the deputy prime minister of PNG, the Hon. Sir Dr Puka Temu, the new Australian high commissioner to PNG, HE Mr Ian Kemish, and the head of AusAID in PNG, Stephanie Copus-Campbell.

The LNG project, and the revenue prospects it offers the government, comprised the core of the latest survey of the PNG economy and opened up many questions about how the country’s changing circumstances should be managed to address the wider social issues affecting large sections of the population. Among these issues, the presenters noted the unaffordable level of housing prices in Port Moresby.

This lively discussion came a day after the governor of the Bank of Papua New Guinea, Mr Loi Bakani, hosted an executive policy seminar with members of the Crawford School and the PNG government at which both the Update findings and the country’s Development Strategic Plan for 2010–2030 were discussed. A further opportunity to reflect on the mix of economic opportunities and social dilemmas facing PNG came at the Crawford School–Lowy seminar in Sydney in April 2010.

This program of public discussion of development issues is supported by AusAID. The Crawford School’s annual survey of the Papua New Guinea economy is published in the Pacific Economic Bulletin.
China: Managing a Summer of Discontent

Peter Drysdale

In February, prominent Chinese economist Yao Yang, from Peking University’s National School of Development, contributed an important essay to Foreign Affairs on the “End of the Beijing consensus”. His thesis was that the continuing summer of China’s economic success over the past three decades has been built on the firm foundation of “disinterested government”, able to “adopt the principles of neoclassical economics while still claiming Marxism as its ideological anchor – a detached, unbiased regime that takes a neutral stance when conflicts of interest arise among different social and political groups”.

This does not mean that Beijing has been devoid of self-interest. On the contrary, the state is often predatory towards citizens, but its predation is “identity-blind” in the sense that Beijing does not generally care about the social and political status of its chosen prey – unlike many governments elsewhere that act to protect and enrich specific social or political groups. As a consequence, the Chinese government has been more likely than other authoritarian regimes to adopt growth-enhancing policies.

The government generally tries to manage popular discontent by providing various “pain relievers”. They include programs to quickly address early signs of unrest in the population, such as re-employment centres for unemployed workers, migration programs aimed at reducing regional disparities, and the recent “new countryside movement” to improve infrastructure, health care and education in rural areas. Those measures, Yao concluded, may now be too weak to discourage the emergence of powerful interest groups seeking to influence the government.

Although private businesses have long recognised the importance of cultivating the government to achieve larger profits, they are no longer alone in their efforts. Parts of the government itself, as well as state-controlled enterprises, are quickly forming strong and exclusive interest groups. In a sense, local governments in China behave like corporations: unlike in advanced democracies, where one of the key mandates of the government is to redistribute income to improve the average citizen’s welfare, local governments and the people who run them in China simply pursue economic gain.

The Chinese people will not remain silent in the face of these infringements, and their discontent inevitably leads to periodic resistance. Before long, some form of explicit political transition that allows ordinary citizens to take part in the political process will be necessary.

An open and inclusive political process has generally checked the power of interest groups in advanced democracies such as the United States, not perfectly by any stretch of the imagination, but effectively and with sufficient chance of redress. This is the mandate of a disinterested government: to balance the demands of different social groups. A more open Chinese government could still remain disinterested if the right democratic institutions were put in place to keep the most powerful groups at bay. But ultimately, there is no alternative to greater democratisation if the Chinese Communist Party wishes to encourage economic growth and maintain social stability.

David Kelly’s translation of an important study by a team of distinguished scholars from Tsinghua University provides chapter and verse on the issue of managing Chinese social and political discontent. The Tsinghua study is a forensic examination of the growing costs of maintaining social and political stability. These costs are of system-challenging significance, suggesting that a huge political transition may now be in play. As Kelly suggests in an essay for the East Asia Forum, the world needs to be sensitive and responsive to the dynamic of such a transition.

David Kelly’s translation of the Tsinghua University article can be found at http://chinaelectionsblog.net/?p=5220

His article for the East Asia Forum is available at http://www.eastasiaforum.org/2010/05/23/costs-of-maintaining-stability-in-china/
Ian Buchanan

CHAIRMAN, CRAWFORD SCHOOL ADVISORY COUNCIL

Ian Buchanan is an experienced strategy consultant and board member with more than 38 years of leadership and advisory experience in the Asia-Pacific region. He has been chair of the Crawford School Advisory Council since 2008.

In addition to his role as chair of the Crawford School Advisory Council, Ian is the chair of AusPECC and a director of the University of Queensland Global Change Institute, the UNSW Injury Risk Management Research Centre, AGSM's Accelerated Learning Lab, the Great Barrier Reef Foundation and CHAMP Asia. He is a member of the International Advisory Panel of the World Islamic Economic Forum and is active in the Australia–NZ Leadership Forum plus several thinktanks in Asia. Ian is also a (semi-retired) senior executive adviser to the firm Booz & Company, and acts as Asian adviser to a small number of leading international blue-chip corporations. Ian has an MA in Chemistry/Quantum Chemistry from Magdalen College, Oxford, and an MBA from the Wharton School.

We asked him a few questions about his role at the Crawford School.

Q We all know that you have a very busy and demanding schedule. How do you manage your time and priorities?

A It’s challenging! In addition to chairing the Crawford School Advisory Council and AusPECC plus my other board and advisory roles, I have a significant (60%) ongoing commitment at Booz & Company, which includes roles as chair of the Southeast Asian and Canberra businesses. While this is demanding, as a global strategy consulting firm with a commitment to pro bono and community service work in Australia and the region, the Booz role also brings substantial benefits. These include an excellent support team and the ability to leverage consulting staff who wish to become involved as volunteers with my external roles, including the Crawford School.

Q In 2008 when you took the position as chairman of the Crawford School Advisory Council, what were your goals and vision for the School?

A My vision for the Crawford School – and the Advisory Council – was influenced by my time in the US. At Wharton in the early 1970s (where I acted as a community volunteer during a challenging time for America’s inner cities), during my 10 years with SRI International and in my courses at the Aspen Institute, I was exposed to the dynamism of US civil society. This complex institutional ecosystem includes a wide range of thinktanks which act as bridges between the public and private sectors and academia. This institutional ecosystem is fuelled by US government technology funding agencies such as DARPA [Defence Advanced Research Projects Agency] which encourage the contestability of ideas – and a sense of excitement at the interface between the universities, such as Stanford, and both government and business.

It was at this time that I first met Professor Andrew MacIntyre, the then director of the Crawford School – at a thinktank in Malaysia! We believed that the Crawford School had the potential to become one of the seeds of a more vibrant Australian civil society ecosystem. And we believed that a respected – and independent – Advisory Council which represented academia, government, public service, business and non-profits could contribute to the next stage of the Crawford School’s evolution towards this vision.
Since becoming Advisory Council Chairman, what do you believe the School’s greatest achievements have been?

The Crawford School had already established itself – in Australia and the region – as a respected school of government. The Advisory Council, with its representatives from both the public and private sectors, is itself the first achievement – working as it does as one team in the best interests of the Crawford School. The council has become a highly effective working team which draws on its diverse members to act as a strategic sounding board for the director.

Second, the Crawford School’s effective leadership transition – from founding director Andrew MacIntyre to Professor Tom Kompas, new to the director role but with a 16-year history of research and teaching excellence at the Crawford School.

Third, the Advisory Council and its sub-committees on branding and strategy have helped both directors to establish a clear aspirational statement of the Crawford School’s core purpose – “Leading public policy for a better world” – supported by a consistent, focused and explicit roadmap to the future which contributed to a seamless handover.

Fourth, the efficiently executed move to the new J.G. Crawford Building.

Fifth, the recognition by the prime minister in both his September 2009 John Paterson Oration and his May 2010 speech at the opening of the new J.G. Crawford Building. In his opening address Prime Minister Rudd cited the Crawford School as a “recognised leader in public policy education, thinking and innovation” and acknowledged that the expanded Crawford School would include “new programs to build stronger links between academia and public policy implementation and conduct research relevant to the public policy priorities of the Government”.

If you could spend a full day at the Crawford School, what would be the three things you would like to do here at the School?

The first is to sit in on one of the classes. The second is to attend one of the many “Today at Crawford School” events. And the third is to teach a class on lessons from the private sector on implementing strategy – that is, turning policy into action.
The Fourth World Congress of Environmental and Resource Economists was held in Montreal from 28 June to 2 July 2010. The congress is a joint initiative of the European Association of Environmental and Resource Economists and the North American Association of Environmental and Resource Economists, and is the main showcase for research in the field of environmental and natural resource economics.

Four academics and two PhD students from the Crawford School were selected to present papers at the congress: Jeffrey Bennett (director of the Environmental Economics Resource Hub), Associate Professor Michael Ward, research fellows Paul Mwebaze and Long Chu and PhD students Sonia Akter and Gabriela Scheufele. This was a major achievement for the Resource Hub, which is already recognised by policy-makers in Australia for its integrated research in environmental economics.

Jeff Bennett’s paper was called “Using benefit transfer: an Australian policy perspective”. Michael Ward presented a paper on “Recidivism, enforcement and environmental compliance”. Paul Mwebaze spoke about the “Economic valuation of the influence of invasive alien species on the economy of the Seychelles Islands”. Long Chu presented a paper on “Stochastic control with state discontinuities: method and application to environmental management”. Sonia Akter’s topic was “Testing construct validity of verbal versus numerical measures of preference uncertainty in contingent valuation”. And the subject of Gabriela Scheufele’s paper was “Ordering effects and response strategies in discrete choice experiments”.

Also in attendance at the conference were Crawford School PhD students Marit Kragt and Kasia Mazur.
Crawford–Nishi Lecture on Australia–Japan Relations

The Prospects for APEC and the Australia–Japan Relationship

PROFESSOR KAZUMASA IWATA, ECONOMIC AND SOCIAL RESEARCH INSTITUTE
23 March 2010

Professor Iwata spoke at the Crawford School about the APEC 2010 process, based on the first Senior Officials Meeting held in Hiroshima in February. He confirmed that three issues were set as the main agenda for APEC this year: regional economic integration, growth strategy and human security.

Professor Iwata assumed his current position as president of the Economic and Social Research Institute in the Japanese Cabinet Office in 2008. He was the deputy governor of the Bank of Japan from 2003 until 2008. He is the most senior economic adviser to the Japanese government to visit Australia since the inception of the Hatoyama cabinet in 2009.

Travelling with the President: The US Campaign Trail and the Media

MR JIM LOFTUS, US MEDIA EXPERT AND WASHINGTON INSIDER
29 March 2010

Crawford School students were invited to discuss current issues of US politics with Mr Jim Loftus, a long-serving media consultant for the Democratic Party and an influential Washington insider. Jim was a member of the 2008 Presidential Inaugural Committee and has advised senior Obama administration officials on White House operations and media relations. He was part of President Obama’s advance team in Australia.

This intimate discussion with Crawford School students was jointly presented by the Crawford School of Economics and Government and the Australian Institute of International Affairs, and was supported by the Embassy of the United States of America.
H.W. Arndt Memorial Lecture

Rehabilitating the Unloved Dollar Standard

PROFESSOR RONALD MCKINNON, STANFORD UNIVERSITY
15 April 2010

The international dollar standard is an accident of history that greatly facilitates international trade and exchange. But erratic US monetary and financial policies have upset the US and world economy, thus making many foreigners unhappy. Paradoxically, the asymmetrical nature of the dollar standard also makes many Americans unhappy because they cannot control their own exchange rate. Although nobody loves the dollar standard, it is a remarkably robust institution that is too valuable to lose and too difficult to replace. Rehabilitating the unloved dollar standard by “internationalising” American monetary and financial policies to better stabilise the US (and world) economy is the only way out of the current impasse.

Professor Ronald McKinnon is the William D. Eberle Professor of International Economics at Stanford University. His area of expertise is international economics and development finance, with a recent focus on China. His latest book, Exchange Rates under the East Asian Dollar Standard: Living with Conflicted Virtue, was published by MIT Press in 2005.

Trevor Swan Distinguished Lectures in Economics

Can “No Excuse” Charter Schools Substantially Reduce Racial School Achievement Gaps?

PROFESSOR JOSHUA ANGRIST, MASSACHUSETTS INSTITUTE OF TECHNOLOGY
15 April 2010

There has been considerable debate as to whether Charter Schools and similar programs substantially improve student academic performance. Professor Joshua Angrist reviewed this literature and discussed the research methodologies used to evaluate school outcomes. Professor Angrist is an influential econometrician and researcher on evaluation methods for policy interventions in education and social programs. His work on the Knowledge Is Power Program suggests that special programs can produce substantial gains for disadvantaged minorities.

The Trevor Swan Distinguished Lectures in Economics series is presented by the Crawford School of Economics and Government, the ANU College of Asia and the Pacific and the ANU College of Business and Economics.
Multi-level Governance Forum

Partnering to Drive Theory and Practice

11 June 2010

The Multi-level Governance Forum brought together policy experts and practitioners from government and universities to consider distinctive features of existing and proposed multi-level governance models for Australia. It covered key policy challenges in the areas of health and well-being, finance and accountability, water planning and climate change adaptation, and sustainable settlements.

Crawford School Seminars

The weekly seminars held in the first half of 2010 have been a great success, with outstanding speakers examining a number of significant topics. A few highlights include:

- “Measuring what matters: student progress”, Ben Jensen, 9 March
- “Comparing the Copenhagen climate targets”, Frank Jotzo, 23 March
- “What good is financial integration in Asia?”, Jenny Corbett, 6 April
- “Preparing for megadisasters: lessons from the Asian tsunami”, Peter McCawley, 11 May
- “China’s new energy security debate”, Andy Kennedy, 25 May
- “US trade policy: a mid-term report card for the Obama administration”, Jeffrey Schott, 15 June

Videos of all Crawford School seminars are available at http://crawford.anu.edu.au/media/seminars

Australia–Indonesia Governance Research Project

12 May 2010

With the launch of its collected works in May, the Australia–Indonesia Research Governance Project showcased three years of highly successful collaborative research at the Crawford School. The Project is funded by the Australian government and managed by the Crawford School. It has successfully conducted research on Indonesia’s public finance and administration, law and order, economic policy, environmental governance, public services, civil society and other issues. In highlighting the Project’s accomplishments, Andrew MacIntyre (dean of the ANU College of Asia and the Pacific) and Tom Kompas (director of the Crawford School) observed that the Project represents a pioneering contribution by the Australian government to the knowledge sector in Indonesia.
Selected Publications

BOOKS
Authors: Kaliappa Kalirajan, Ric Shand and Shashanka Bhide
Title: Strategies for Achieving Sustained High Economic Growth: The Case of Indian States
Editors: Jeff Bennett and Ekin Birol
Title: Choice Experiments in Developing Countries: Implications, Challenges and Policy Implications

JOURNAL ARTICLES
Authors: C.M. Dichmont, S. Pascoe, T. Kompas, A.E. Punt and R. Deng
Title: "On implementing maximum economic yield in commercial fisheries"
Journal: Proceedings of the National Academy of Sciences
Authors: Prasanna Gai and Sujit Kapadia
Title: "Contagion in financial networks"
Authors: Paul J. Burke
Title: "Income, resources, and electricity mix"
Journal: Energy Economics
Authors: Yaqin Qiu, Yangwen Jia, Jincheng Zhao, Xuehong Wang, Jeff Bennett and Zuhao Zhou
Title: "Valuation of flood reductions in the Yellow River basin under land use change"
Journal: Journal of Water Resources Planning and Management
Authors: Lixin Cai and Amy Y.C. Liu
Title: "Public–private sector wage gap in Australia: variation along the distribution"
Journal: British Journal of Industrial Relations
Authors: Sonia Akter and R. Quentin Grafton
Title: "Confronting uncertainty and missing values in environmental value transfer as applied to species conservation"
Journal: Conservation Biology
Authors: Joko Mariyono, Tom Kompas and R. Quentin Grafton
Title: "Shifting from green revolution to environmentally sound policies: technological change in Indonesian rice agriculture"
Journal: Journal of the Asia Pacific Economy
Authors: M.E. Kragt, L.T.H. Newham, J. Bennett and A.J. Jakeman
Title: "An integrated approach to linking economic valuation and catchment modelling"
Journal: Environmental Modelling and Software
Crawford School
Adjunct Staff

(AS AT 1 AUGUST 2010)

Roger Bradbury: Adjunct Professor, Resource Management in Asia-Pacific Program
Neil Byron: Adjunct Professor (joint, with Fenner School)
Anne Capling: Adjunct Professor (University of Melbourne)
Satish Chand: Adjunct Professor (UNSW@ADFA)
Nhu Tuong Che: Adjunct Associate Professor (ABARE)
Steven Cork: Adjunct Professor
Gordon De Brouwer: Adjunct Professor
Philippa Dee: Adjunct Associate Professor
Patrick De Fontenay: Adjunct Professor
Richard Denniss: Adjunct Associate Professor (Australia Institute)
Leo Dohes: Adjunct Associate Professor
Peter Drysdale: Emeritus Professor of Economics
Ron Duncan: Emeritus Professor
George Fane: Emeritus Professor, Arndt-Corden Division of Economics
James Fox: Emeritus Professor, Resource Management in Asia-Pacific Program, and Director, ANU Korea Institute
Ross Garnaut: Distinguished Professor
Yeping Huang: Adjunct Professor (Peking University)
Helen Hughes: Emeritus Professor, Arndt-Corden Division of Economics
Suiwah Leung: Associate Professor of Economics
Jamie MacKie: Emeritus Professor, Arndt-Corden Division of Economics
Richard Mulgan: Emeritus Professor
Mari Pangestu: Adjunct Professor
Pascal Perez: Adjunct Associate Professor, Resource Management in Asia-Pacific Program
Hugh Sadler: Adjunct Professor (joint, with Fenner School)
Heinz Schandl: Adjunct Associate Professor (CSIRO)
Ian Thynne: Adjunct Professor (CDU Darwin)
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