

**Department of
Economics**

Annual Report

2000

**Department of Economics
The University of Melbourne
Victoria 3010
Australia**

WWW - <http://www.ecom.unimelb.edu.au/ecowww/home.html>

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Head of Department's Report

Departmental research, teaching and community activities in 2000 continued at high levels and there has been steady evolution in responding to and in anticipating changes facing all universities in general, and the discipline areas of economics, econometrics and actuarial studies in particular.

All 35 academic staff at lecturer and above are actively involved in research. During 2000 staff had published three books, 15 chapters in books, 46 refereed journal articles, and many non-refereed journal contributions and conference papers. Publications were in international journals, including *Journal of Economic Theory*, *Journal of Development Economics*, *Journal of Money, Credit and Banking*, *Scandinavian Actuarial Journal*, *Journal of Mathematical Economics*, *Economica*, *Oxford Economic Papers*, *Journal of Economics of Education*, *Land Economics* and the *Manchester School*, and in Australian journals, including *Economic Record*, *Australian Economic Papers* and *Australian Economic Review*. Most staff, with Department financial support, gave conference papers in most corners of the globe as well as in Australia. In 2000 three new large Australian Research Council grants were won. Staff also were successful in gaining small ARC and Faculty research grants.

Undergraduate students taught in 2000 represented 1208 EFTSU, of which 32 percent were international students. The honours class of 42 was slightly larger than in recent years, with the largest gain in actuarial studies. During the year the future curriculum for the honours program in economics was revised to include core subjects in advanced microeconomics, advanced macroeconomics, econometrics and the honours research essay (a double subject) and two elective subjects. New subjects on the economics of e-commerce are to be introduced. Most economics and econometrics subjects include examples of the applicability of economic principles to the analysis of issues and problems facing business as well as issues and policy choices facing governments. Teaching methods make more use of multi-media tools, with the use of Critical and Analytical Learning in Macroeconomics (CALM) being a great success with first year students.

Graduate student numbers in the discipline extension degrees have plateaued, with enrolments of 20 in the Postgraduate Diploma of Economics, 30 in the Master of Commerce by coursework in economics and 29 in the PhD by coursework in economics. Four students successfully completed PhDs in 2000.

The Department also teaches subjects in the Master of International Business,

the Master of Applied Finance, and the Master of Applied Commerce. New subjects in economics and econometrics were developed for the Postgraduate and Masters of Financial Management. It is anticipated that the professional graduate programs will be the most important area of growth of student demand for economics and econometrics subjects over the next few years.

A range of community activities provide for explicit interaction between the Department and the wider community. These include VCE lectures and the journal *Econochat* to link with secondary schools; direct contributions to TV, radio and newspaper media; membership of government enquiries, and provision of advice to government departments and agencies; membership of editorial boards, professional associations and refereeing; and, conference presentations, organisation, and participation. The involvement of some staff in contract research and consultancy provides very useful by-products in the form of new ideas and challenges for research, and good examples and case studies to raise the quality of teaching.

A number of new academic staff were recruited. Professors Vance Martin and Bill Griffith were appointed to chairs in econometrics. Doctors Hsiao-chuan Chang and Aki Asano have taken up appointments, and another five are expected to arrive in the second half of 2001. The Centre of Actuarial Studies acquired the services of Dr. Jun Cai and Mr. Richard Fitzherbert, and the initiative of downtown actuaries teaching the Control Cycle subjects was successful.

Administration of the Department continued to be outstanding. Cherie Millerick and her team have followed several new initiatives to improve the support to academic staff and to students.

Effective research, teaching and community activities of the Department are the result of hard work and team cooperation. I thank all academic and general staff for their dedication and good humour, and congratulate them for another successful year.

John Freebairn

June 2001.

An Overview of The Department

1. The University

The University of Melbourne was established in the 1850s and now has about 31,000 students. It is situated in 19 hectares of landscaped grounds about 2.5 kilometres north of the centre of the City of Melbourne.

2. Internal Organisation

The Department of Economics is one of the largest departments in the University and is one of five departments in the Faculty of Economics and Commerce. The other departments are Accounting, Financial Studies, Management and the Melbourne Institute of Applied Economic and Social Research. The Centre for Actuarial Studies is located in the Department of Economics. Close collaboration exists between departments, both in teaching and research. The total number of full-time academic staff in the Faculty is about 100. The Department of Economics has 35 full-time academic staff and 11 administrative staff. The academic staff comprises 9 professors, 8 readers/ associate professors, 6 senior lecturers, and 12 lecturers, and 1 research assistant. They produce large amounts of high quality research and pride themselves on the quality of both their teaching and research. Areas of interest cover a broad range of areas in economics, including:

- Macroeconomic Theory and Policy
- Microeconomic Theory and Policy
- Econometrics Theory and Applications
- Actuarial Studies
- Environmental Economics
- Competition Policy and Industrial Regulation
- Economy-Wide Modelling
- Household Economics
- Income Distribution
- Industrial Organization
- International Economics
- Labour Economics
- Monetary and Financial Economics

International Trade and Policy

Public Economics

Economic Growth

Asian Economics.

3. Finance

The Faculty receives a one line budget from the University which is allocated to departments primarily, but not exclusively, on the basis of weighted student load. The Faculty allocates some \$240,000 for competitive research grants. The annual budget of the Department in 2000 was \$4.8 million. The Department during 2000 also received a total combined income of \$452, 477 from ARC, University and Faculty Research Grants.

4. Departmental Management

The Head of the Department is appointed by the Council of the University from the staff of the Department at the level of Senior Lecturer and above. Professor John Freebairn is Head of Department until 31 December 2002. A small Departmental Committee provides regular advice to the Head. Ad hoc committees are established for special issues, such as major curriculum reviews. At least four department meetings are held each year, of which all academic staff are members and contribute to discussion of the Department's teaching, research and community activities, and about department management.

5. Departmental Aims

The Department's Strategy Plan begins with the words: "The Department of Economics aims to provide high quality teaching at undergraduate and graduate levels and to undertake high quality research and to publish the results in books and refereed journals both in Australia and overseas". Consistent with this, the Department has four primary functions. These are:

1. To research and to disseminate the results of that research.
2. To transmit research skills and findings through the training and supervision of Honours, Masters and PhD students.
3. To engage in other scholarly activity including teaching undergraduate and graduate students, arranging seminars and conferences and preparing textbooks and other learning tools.
4. To serve the community and our profession and to provide, where compatible with the above, consulting and other services.

Because we are an academic department at the University of Melbourne it is necessary in everything we do that we adhere to, and attempt to instil in others, the highest standards of scholarly behaviour and a commitment to excellence.

6. Undergraduate Teaching

The Department of Economics teaches in the areas of economics, econometrics and actuarial studies. A list of the current subjects offered by the Department is given in a separate section of the Report. At the undergraduate level students in the Faculty may elect to take the Bachelor of Commerce degree or the Bachelor of Commerce (Management) at the ordinary level (3 years) or at the honours level (4 years). The Department's subjects may also be taken as part of an undergraduate major by students enrolled in the Faculty of Arts. The Department of Economics teaches first and second year core subjects in economics and quantitative methods which are compulsory for all students enrolled for the BCom and BCom (Management) degrees. At the third-year level the Department provides over 25 optional subjects. The majority of undergraduate students take at least two of these subjects. (Our most popular third year options are: Money and Banking; Microeconomics; International Economics; Economics of Financial Markets; Macroeconomics; and Econometrics). Also, students may elect to undertake an actuarial sequence within the BCom degree. A sizeable and growing number of BCom students undertake a joint degree. Formal joint degrees are BCom/BA (Commerce Arts), BCom/LLB (Commerce Law), BCom/BSc (Commerce Science), BFor/BCom (Commerce Forestry), BAgSc/BCom (Commerce Agricultural Science), BCom/BE (Commerce Engineering) and BCom/BIS (Commerce Information Systems).

In 2000 undergraduate enrolments in equivalent full-time units are 1208, of which 392 are full fee-paying international students. Approximately 39% of the undergraduate student load in the Faculty is located in the Department of Economics. Currently 42 students are enrolled in the honours (fourth) year. Competition for entry into the first-year of the BCom course is very strong. The Clearly-In ENTER score for entry into first year in 2000 was 94.4.

7. Graduate Teaching

The Faculty offers a MCom by course work or thesis but the Department encourages students to take the course work option. The Department also offers a Postgraduate Diploma in Economics. It is the policy of the Department of Economics (and the University) to increase the number of postgraduate students relative to the number of undergraduate students. In 2000 30 students enrolled in the Master of Commerce with a specialisation in economics and 21 students enrolled in the Postgraduate Diploma in Economics.

The Department offers a three year PhD programme with one year of course work, along North American lines. Compulsory subjects include microeconomic theory, macroeconomic theory and econometrics. In 2000 there were 29 students enrolled in a PhD programme specialising in economics.

8. Research

Research in such a large Department spans most branches of economics and econometrics, and actuarial studies. A full listing of the research interests of staff can be found in a separate section of the Annual Report. The Department is strong in economic theory, applied economics, econometrics and actuarial studies. A significant amount of the research done in the department is policy oriented. Conference participation is encouraged and supported financially. External research funds to assist research activities are obtained from the Commonwealth Government and the private sector.

Several research groups are located in the Department. The Programme in Monetary and Financial Economics is directed by Associate Professor Guay Lim. It is financed from funds provided by the National Australia Bank and other financial institutions. The Centre for Actuarial Studies is headed by Professor David Dickson. The Asian Economics Centre is directed by Associate Professor Malcolm Dowling and is financed by funds provided by government and other business institutes. Dr Duncan Ironmonger and Professor Ross Williams lead a project on household time use which is financed predominantly by ARC grants.

There are a number of other informal groupings of researchers within the Department. These include the Economic Theory Workshop and the Macro Breakfast.

A number of research projects are undertaken with staff of the Department and members of the Melbourne Institute.

9. Buildings and Resources

The Department is currently located on three floors of the Economics and Commerce building complex.

The Department has two UNIX servers, one for number crunching purposes with SAS, Mathematica, Gauss, RATS, Strata, TSP, Gem Pack, Shazam FORTRAN, C and Pascal. The other server is used to serve email (eudora, pine, elm, etc), World Wide Web and document editing (latex). An NT server serves for files and print sharing.

The minimum department standard for 2001 for all staff (academic and general) in relation to the provision of computer power is a MicroPro Win NT PC11,

64MB RAM, 6.4 GB IDE HDD, 2MB VID, 2 4XCD NIC. The Department carries out yearly IT formal reviews to ensure that staff have sufficient computer power and software applications to support their activities. Staff have on-line access to the DX database of Australian Economic Statistics.

A computer laboratory with 90 work stations is provided for student use.

The Giblin Research Library is located in the building. Working papers from the world's leading economics departments are held here.

10. External Relations

The Department maintains strong ties to business, particularly the banking and finance sector. The activities of the Programme in Monetary and Financial Economics are well supported by the private sector.

The Centre for Actuarial Studies has close links with the Institute of Actuaries of Australia.

A number of academic staff in the Department are engaged as consultants to various government departments and agencies, to international agencies and individual businesses.

Several academics contribute directly to the media, and often in providing background information.

The Department has direct links with secondary schools and twice each year publishes its journal EconoChat and contributes lectures on economics topics for VCE students.

The Economic Record, the journal of the Economic Society of Australia, is edited within the Department.

Department of Economics Teaching and Research Staff

Professors

Head of Department and Professor of Economics

FREEBAIRN, JOHN: B. Agric. Econ. New England, M. Agric. Econ. New England, PhD Davis

Teaching/Coordinating Responsibilities: 316-328 Marketing Economics, 316-208 Economics of The Environment

Research Interests: Taxation reform, Labour economics, especially employment, Infrastructure pricing and investment

Professional Interests: Applied economics

Professor of Economics

BARDSLEY, PETER: B Sc (Hons) A.N.U, PhD Durham

Teaching/Coordinating Responsibilities: 316-611 Microeconomics

Research Interests: Economic theory, Mathematical economics, Game theory, Information and strategic behaviour, Organisational design and theory of the firm, Theoretical finance

The Truby Williams Professor of Economics

CREEDY, JOHN, BSc Bristol, BPhil Oxford

Teaching/Coordinating Responsibilities: 316-468 General Equilibrium and Welfare Economics, 316-703 Economics Thesis Workshop

Research Interests: Income distribution, Public economics, Labour economics, History of economic analysis

Professional Interests: Associate Editor: Bulletin of Economic Research, Joint Editor: Australian Economic Review, Data Survey Editor: Australian Economic Review, Associate of Western Australia Labour Market Research Centre, Associate Editor: Review of Income and Wealth, Associate Editor: Australian Journal of Labour Economics, Associate Editor: FinanzArchiv, Associate Editor: Journal of Economic Inequality, Associate Editor: Fiscal Studies

Special Distinctions: Fellow of Academy of Social Sciences, Australia.

Professor of Economics

KING, STEPHEN: BEc (Hons) (A.N.U), MEc Monash, MA PhD Harvard

Teaching/Coordinating Responsibilities: 316-102 Introductory Microeconomics, 316-611 Microeconomics

Research Interests: Competition policy, Economics of regulation, Industrial economics

Ritchie Professor of Economics

LLOYD, PETER: BA, Victoria University of Wellington, MA (Hons), Victoria University of Wellington, PhD Duke

Teaching/Coordinating Responsibilities: 302-601 Government and International Trade and Investment, 316-630 International Trade and Policy

Research Interests: Asian economics, International economics, Microeconomic theory

Special Distinctions: Fellow of Academy of the Social Sciences, Australia

Professor of Econometrics

MARTIN, VANCE: PhD Monash

Teaching/Coordinating Responsibilities: 316-130 Quantitative Methods 1, 316-654 Advanced Econometric Techniques

Research Interests: Econometrics, Time series analysis, Monetary economics, Macroeconomics

National Australia Bank Professor of Economics

McDONALD, IAN: BA(Hons) Leicester, MA Warwick, PhD Simon Fraser,

Teaching/Coordinating Responsibilities: 316-201 Intermediate Macroeconomics, 316-653 Special Reading Topics in Economics

Research Interests: Macroeconomics, Labour economics

Professional Interests: Associate Editor, Australian Economic Review.

Special Distinction: Fellow of the Academic Social Sciences, Australia.

Dean and Professor of Econometrics

WILLIAMS, ROSS ALAN: BCom Melbourne, MSc Economics, PhD London School of Economics

Research Interests: Time-use by households, Economics of education

Other Responsibilities: Dean

Honours: Fellow of Academy of Social Sciences in Australia

Readers/Associate Professors

BORLAND, JEFF: MA Melbourne, PhD Yale

Teaching/Coordinating Responsibilities: 316-313 Microeconomics, 316-327 Business Applications of Economics

Research Interests: Operation of labour markets in Australia (earnings inequality, unemployment, job quality, role of institutions), Theories of labour market activity, Economics of sport

Professional Interests: Editor, Economic Record, Associate Editor, Australian Economic Review

DIXON, ROBERT: BEc(Hons) Monash, PhD Kent

Teaching/Coordinating Responsibilities: 316-206 Quantitative Methods 2, 316-328 Marketing Economics, 316-451 Modelling the Australian Macroeconomy, 316-475 Economics Reserach Essay.

Research Interests: Macroeconomics, Industrial economics, Marxian economics, Regional economics

DOWLING, MALCOLM: BA, MA, PhD Pittsburgh

Teaching/Coordinating Responsibilities: 316-206 Quantitative Methods 2, 302-611 Asian Economies

Research Interests: Asian economic development, Economics of altruism, Labour migration

HIRSCHBERG, JOSEPH: MA University of California, Ph.D. University of Southern California,

Teaching/Coordinating Responsibilities: 316-470 Econometric Techniques, 316-655 Topics in Econometrics, 316-656 Advanced Topics in Econometrics

Research Interests: Electricity demand/rates, Labor discrimination, Demand analysis, Cluster analysis

IRONMONGER, DUNCAN: MCom, PhD Cambridge

Teaching/Coordinating Responsibilities: 316-825 Household Sector Economics

Research Interests : Household economics, Household demography, National accounts, Macroeconomics

Other Responsibilities: Director, Households Research Unit, Director: Households Research Database, Director: Multinational Time Use Study, Director: Multinational Household Expenditure Study

Professional Interests: Australian Representative and Executive Member: World Project LINK, Economic Consultant to Dun and Bradstreet Australia, Associate Editor: Review of the Economics of Household

LIM, GUAY C.: BEc (Hons), MEc, PhD ANU

Teaching/Coordinating Responsibilities: 316-449 Financial Econometrics, 316-632 International Monetary Economics, 316-646 Financial Econometrics (MAF)

Research Interests: Dynamics of real and nominal exchange rates, Term-structure of interest rates, Stock price volatility

Other Responsibilities: Director, Programme in Monetary and Financial Economics

LYE, JEANETTE: PhD Canterbury

Teaching/Coordinating Responsibilities: 316-317 Econometrics, 316-318 Applied Econometric Modelling

Research Interests: Non normal distributions, Applications of multimodality, Modelling of exchange rates, Theory and application of non linear models, General applied econometrics

Special Distinction: New Zealand Association of Economists (Inc.) Young Economist Prize (1987)

MacLAREN, DONALD: B Sc (Agr)Hons Aberdeen, MS, PhD Cornell

Teaching/Coordinating Responsibilities: 316-202 Intermediate Microeconomics, 316-309 Agricultural Economics, 212-323 Agricultural Policies and International Trade

Research Interests: Agricultural trade policy, Agriculture and the World Trade Organisation, The IO structure of international commodity markets, The international trade effects of state trading enterprises, Competition policy and trade

Other Responsibilities: Member: Academic Programs Committee, Chair: MUPHAS Sub-Committee of APC.

Professional Interests: Member, International Agricultural Trade Research Consortium

NORMAN, NEVILLE: MA, BCom(Hons) Melbourne, PhD Cambridge

Teaching/Coordinating Responsibilities: 316-329 The Economics of Taxation, 316-467 Microeconomic Analysis and Policy, 316-626 Research Report and Workshop.

Research Interests: Theory of protection, Economics of trade practices, Tax incidence, Health economics, Global influence on domestic price movements

Other Responsibilities: Convenor, Faculty Oval Table, Faculty International Committee

Professional Interests: Media Economic Commentaries, Editorial Board, Competition and Consumer Law Journal, Committee for Economic Development of Australia, General Motors Australian Advisory Council, Law Council Trade Practices Committee, Business Essential Economic Commentaries.

TOURKY, RABEE: M.Ec, Ph.D Queensland

Teaching/Coordinating Responsibilities: 316-102 Introductory Microeconomics, 316-479 Mathematical Economics

Professional Interests: Associate Editor: Economic Theory, Associate Editor: Positivity

Research Interests: Economic Theory with a particular emphasis on general equilibrium theory, Economies with differential information, and cooperative game theory

Senior Lecturers

AMITI, MARY: PhD LSE

Teaching/Coordinating Responsibilities: 316-301 International Economics, 316-804 Diploma Microeconomics

Research Interests: International trade - theoretical and empirical, New economic geography

CAMERON, LISA: BCom (Hons), MCom (Hons) Melbourne, MA, PhD Princeton

Teaching/Coordinating Responsibilities: 316-307 Labour Economics, 316-463 Development Economics

Research Interests: Development economics, Labour economics, Econometrics, Experimental economics

Professional Interests: Research Associate, Division of Economics, Research School of Pacific and Asian Studies and Asia Pacific School of Economics and Management, Australian National University.

CROSBY, MARK: BEc(Hons) Adelaide, MA, PhD Queen's

Teaching/Coordinating Responsibilities: 316-312 Macroeconomics, 316-805 Diploma Macroeconomics

Research Interests: Macroeconomic theory, Applied macroeconomics

HENRY, OLAN: B.A. (Hons.) Economic University College Dublin, M.A. PhD. Reading

Teaching & Coordinating Responsibilities: 316-469 Financial Economics, 316-351 Economics of the Financial Markets, 316-316 Basic Econometrics.

Research Interests: Modelling and forecasting asset market volatility, Pricing and hedging risk including empirical VAR models, Non-linear time series modelling, The term structure of interest rates, Exchange rate dynamics, Empirical macroeconomics, Business cycle modelling, Inflation

HYDE, CHARLES: Ph.D. U.C. Berkeley (On Leave)

Research Interests: Microeconomic theory, Contract theory, Industrial organization

OLEKALNS, NILSS: B.Ec (Hons) Adelaide, M.Ec ANU, MA West Ont., PhD La Trobe University

Teaching/Coordinating Responsibilities: 316-101 Introductory Macroeconomics, 316-462 Public Economics

Research Interests: Macroeconomics, Applied econometrics

SMITH, RHONDA: B.Com (Hons), M.Ec Melbourne

Teaching/Coordinating Responsibilities: 316-460 Advanced Restrictive Trade Practices, 316-621 Economics of the Public Sector, 316-660 Microeconomics and Strategy

Research Interests: Industrial organisation/Industry economics, Trade practices, Agricultural economics, Demography

SHERSTYUK, KATERINA: PhD California Institute of Technology (On leave)

Research Interests: Informational economics, Mechanism design, Organizations, Experimental economics

STEMP, PETER: BA (Hons), PhD ANU

Teaching/Coordinating Responsibilities: 316-306 Money and Banking,
316-466 Monetary Economics

Research Interests: Macroeconomics, Monetary economics, Financial
economics, Economic policy issues

Lecturers and Research Staff

CHOU, YUAN: MA, M.Phil, PhD Yale

Teaching/Coordinating Responsibilities: 316-101 Introductory
Macroeconomics, 316-612 Macroeconomics

Research Interests: Macroeconomics, Development economics, Labor
economics

GANGADHARAN, LATA: BA (Hons) Delhi University, MA Delhi School
of Economics, PhD University of Southern California

Teaching/Coordinating Responsibilities: 316-325/425 Ecological
Economics, 316-324 Environmental Economics

Research Interests: Environmental economics, Experimental economics,
Applied econometrics

GUNTHER, ALAN: BCom Melbourne, MA Cambridge

Teaching/Coordinating Responsibilities: 316-303 Industrial Economics,
316-801 Public Sector Economics - Micro

Research Interests: Applied industrial economics, Foreign investment
policy

HARRIS, DAVID: BEc (Hons), MEc James Cook University, PhD Monash

Teaching & Coordinating Responsibilities: 316-205 Introductory
Econometrics, 316-352 Quantitative Business Analysis

Research Interests: Econometric theory, Time series analysis

JOHNSTON, CAROL: BCom, BEd, MEd, DEd Melbourne

Research Interests: Economics Education, Organisational learning

Other Responsibilities: Monitoring of tutorial staff and the conduct of
tutorials in the Department of Economics, Training of the
Department's tutors, Monitoring of students in the B.Ed and B.
Business Studies who are completing subjects in the Department,
Editor EconoChat, Quality of Teaching Committee member, Faculty
of Education Board member, Deputy Vice Chancellor's working
party on tutorial improvement member

Research Fellow, Households Research Unit

SOUPOURMAS, FAYE: BA (Hons), MA Melbourne

Research Interests: Understanding individual social and economic behaviour, time use studies and household economics

Other Responsibilities: Manager: Households Research Database; Member: Multinational Household Expenditures Study; Member: Multinational Time Use Study.

CENTRE FOR ACTUARIAL STUDIES TEACHING AND RESEARCH STAFF

Director and Professor of Actuarial Studies

DICKSON, DAVID: BSc(Hons), PhD, FFA, FIAA

Teaching/Coordinating Responsibilities: 300-101 Introduction to Actuarial Studies, 300-330 Survival Models: Theory and Applications, 300-331 Modelling in Insurance and Finance I, 300-341 Actuarial Mathematics I, 300-342 Actuarial Mathematics II, 300-400 Actuarial Studies Research Essay

Research Interests: Recursive methods in risk theory, Renewal risk processes, Ruin theory

Professional Interests: Associate Editor: Insurance: Mathematics and Economics. Adjunct Professor: University of Waterloo

Senior Lecturers

CAI, JUN: BSc, MSc, PhD

Teaching/Coordinating Responsibilities: 300-204 Financial Mathematics II, 300-332 Modelling in Insurance and Finance II

Research Interests: Risk theory, Applied probability, Reliability theory.

FITZHERBERT, RICHARD: BSc (Hons), FIAA, FIA, ASIA

Teaching/Coordinating Responsibilities: 300-101 Introduction to Actuarial Studies, 300-203 Financial Mathematics I, 300-411 The Actuarial Control Cycle II

Research Interests: Investments, Stochastic investment models

Professorial Fellow

TAYLOR, GREG: BA, PhD, PhD, FIA, FIAA, FIMA, C Math, AO

Research Interests: Modelling in general insurance

Honorary Senior Fellows

GRIBBLE, JULIAN: BSc (Hons), PhD, FIAA, FCIA, FSA

Teaching/Coordinating Responsibilities: 300-410 The Actuarial Control Cycle I, 300-411 The Actuarial Control Cycle II

RAFTER, BRUCE: BCom, FIA, FIAA

Teaching/Coordinating Responsibilities: 300-410 The Actuarial Control Cycle I, 300-411 The Actuarial Control Cycle II

TRUSLOVE, ALLEN: BSc (Hons), PhD, MBA, FIAA, FIA

Teaching/Coordinating Responsibilities: 300-410 The Actuarial Control Cycle I, 300-411 The Actuarial Control Cycle II

Administrative Staff

Banford, Alison: Business Management, Northern Ireland
Position: Academic Support Services

Bennett, Karen: B.Arch RMIT
Position: Coordinator Academic Services

Boland, Challis:
Position: Centre Administrator, Centre for Actuarial Studies

Dang, Jim: B.Acc. Com Monash
Position: System Support Manager

Gouletsas, Persefoni:
Position: Coordinator Administrative Services

Haddad, Leonie: Advanced Diploma in Business, Canberra Institute of Technology
Position: Administrative Officer

Kim, Alice: B.App. Sci Swinburn
Position: Web Development/System Support Officer

Koch, Emma: BA (Hons) Melbourne
Position: Centre Administrator, Centre for Actuarial Studies

Lao, Andrew: AssocDip Technology, Moorabin TAFE

Position: Web Development/System Support Officer

Levi, Michael: BSci, Monash

Position: Web/System Support Officer

Leong, Coleman: PGrad Dip App Sci Swinburn

Position: Web/System Support Officer

Lochran, Margaret

Position: Administrative Assistant for the PMFE Program

Lombardo, Rosemary

Position: Administrative Officer

Millerick, Cherie: BA Sydney

Position: Departmental Manager

Newell, Colin: BA Deakin

Position: Assistant to Head of Department

Tran, Quy: B.App. Sci Chisholm

Position: System Support Manager

Visitors to the Department

Economics

Dr Hyun-Hoon Lee, Kangwan National University, South Korea, 17
December 1998 – 28 February 2000

Prof Ben Fine, University of London, UK, 1 November 1999 - 1 February
2000

Dr John Kennan, The University of Wisconsin, USA, 5 January – 9 March

Dr Harry Clarke, LaTrobe University, 10 January – 31 December

Dr Hugh Sibly, University of Tasmania, 17 January – 15 February and 4
April - 19 June

Dr Muhammad Mahmood, Victoria University, 14 February – 21 July

Prof Norman Gemmell, University of Nottingham, UK, 6-27 March

Prof Tim Cason, Purdue University, USA, 23 March - 2 April

Dr John Shannon, R.M.I.T., 1 April – 30 November

Assoc Prof Gary Ferrier, University of Arkansas, USA, 7-18 August

Dr Henry Thille, University of Winnipeg, Canada, 15 July – 23 November

Dr Yvan Lengwiler, Swiss National Bank, 20 July – 31 October

Prof Stan Hurn, Queensland University of Technology, 30 June to 2 July

Dr Duangamon Chotikapanich, Curtin University of Technology, 5-11 July
and 21 August to 20 October

Prof Brendan McCabe, University of Liverpool, 8 November - 15
December

Prof Michael Devereux, University of British Columbia, 4 - 17 December

Actuarial Studies

Prof Lourdes Centeno, 17 July – 20 December

Prof Christian Hipp, 31 July – 15 October

Publications

Books Authored or Edited

- Lloyd, P. J. and X-G. Zhang . *China in the global economy*. Cheltenham, UK, Edward Elgar.
- Perkins, J. O. N. . *The reform of macroeconomic policy*. London, UK, Macmillan Press Ltd.
- Zhang, X-G. . *China's trade patterns and international comparative advantage*. UK, Macmillan Press.

Book Chapters

- Creedy, J. and A. S. Duncan. Behavioural microsimulation methods for policy analysis. *Taxes, transfers and labour market responses: What can microsimulation tell us?* T. Callan. Dublin Economic and Social Research Institute.
- Dowling, J. M. . The Asian currency and economic crisis: macroeconomic performance and policy. *The causes and impact of the Asian financial crisis*. T. V. Hoa and C. Harvie. London, UK, Macmillan Press: 202-218.
- Guest, R. S. and I. M. McDonald . Population ageing and optimal national saving. *The current state of business disciplines*. S. B. Dahiya. India, Spellbound Publications Pvt. Ltd. 2: 605-627.
- Ironmonger, D. S. . Measuring volunteering in economic terms. *Volunteers and volunteering*. J. Warbuton and M. Oppenheimer. Australia, Federation Press: 56-72.
- Lim, G. C. and V. L. Martin . Forecasting large changes in exchange rates. *Economic forecasting*. P. Abelson and R. Joyeux. Sydney, Australia, Allen & Unwin: 255-276.
- Lim, G. C. and V. L. Martin . Weighted monetary aggregates: empirical evidence for Australia. *Divisia monetary aggregates: theory and practice*. M. T. Belongia and J. M. Binner. Basingstoke, UK, Palgrave: 249-262.
- Lloyd, P. J. and X-G. Zhang . Introduction. *China in the global economy*. P. J. Lloyd and X-G. Zhang. Cheltenham, UK, Edward Elgar: 1-12.

- MacLaren, D. . Economic rights in contemporary Europe. *Rewriting rights in Europe*. L. Hancock and C. O'Brien. Aldershot, UK, Ashgate: 109 - 120.
- Norman, N. R. . MICE in the meltdown: an economic analysis of the impact of developments in Asia on the meeting and conference industries. *The causes and impact of the Asian financial crisis*. T. V. Hoa and C. Harvie. London, UK, Macmillan Press: 175-190.
- Norman, N. R. . Economics and competition law: how far have we come? *25 years of Australian competition law*. R. Steinwall. Sydney, Australia, Butterworths: 83-101.
- Perkins, J. O. N. . Some implications of the Asian economic crisis for the Non-Asian world. *The causes and impact of the Asian financial crisis*. T. V. Hoa and C. Harvie. London, UK, Macmillan Press: 191-201.
- Smith, R. . The economic basis of the act. *Butterworths Australian competition law*. R. Steinwall. Australia, Butterworths: 89-145.
- Smith, R. . Globalisation: what does it mean for competition policy? *25 years of Australian competition law*. R. Steinwall. Australia, Butterworths: 166-195.
- Song, L. L. . China's exchange rate mechanism and the real effective exchange rate. *China in the global economy*. P. J. Lloyd and X-G. Zhang. Cheltenham, UK, Edward Elgar: 165-187.
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Other Publications

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Working Papers

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- Perkins, J. O. N. Some current issues of international monetary policy. The University of Melbourne, Department of Economics, Research Paper No. 758. Melbourne, Australia. 758: 17.
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- Taylor, G. C. Stochastic control of funding systems. The University of Melbourne, Centre of Actuarial Studies, Research Paper No.79. Melbourne, Australia. 79: 38.
- Taylor, G. C. The statistical distribution of incurred losses and its evolution over time III: dynamic models. The University of Melbourne, Centre of Actuarial Studies, Research Paper No. 81. Melbourne, Australia. 81: 44.

Research Grants Funding Received

- Amiti, M. Foreign direct investment, international trade and employment. (NSARC and Faculty of Economics and Commerce)
- Borland, J. The labour market consequences of microeconomic reform. (ARC Large Grant)
- Borland, J. Contracting out and white collar employment in Australia. (ARC Small Grant)
- Creedy, J. Posterior distributions of social welfare and tax progressivity measures. (Faculty of Economics and Commerce)
- Creedy, J. The take-up of means-tested benefits in Australia. (ARC Small Grant)
- Crosby, M. The behaviour of wage settlements during the monetary policy tightenings in the United States. (ARC Small Grant)
- Dowling, M., L. Cameron and C. Worswick. Female education and welfare of families. (ARC Large Grant)
- Dungey, M. and V. Martin Modelling contagion in Asian and Australasian currency markets using a dynamic factor structure with conditional volatility. (ARC Large Grant)
- Gangadharan, L. Examining the gender preference hypothesis in Pakistan and South Africa. (ARC Small Grant)
- Harris, D. Testing for unit roots using instrumental variables and the appropriate specification of kernel-based unit root tests. (ARC Small Grant)
- Henry, O., N. Olekalns and P. Summers. Currency crises: a dynamic panel approach. (ARC Small Grant)
- Hirschberg, J. G. An analysis of the bootstrap of data envelopment analysis. (ARC Small Grant)
- Hirschberg, J. G. and G. Ferrier An analysis of the bootstrap of data envelopment analysis. (Faculty of Economics and Commerce)

- Lloyd, P. J. and H. H. Lee Intra-industry trade (IIT) in services: the case of OECD countries. (ARC Small Grant)
- Lye, J. N. Labour market performance and the effects of drinking, obesity, exercise and smoking. (ARC Small Grant)
- Martin, V. L. and B. A. Cardak Estimation of ability distributions using simulation based estimation techniques. (ARC Small Grant)
- Stemp, P. Changes in the stance of monetary policy: justifying a series of small policy adjustments rather than one large adjustment. (ARC Small Grant)
- Summers, P. M., N. Olekalns, et al. Modelling and predicting exchange rate distress. (ARC Small Grant)
- Tourky, R. and K. Sherstyuk Collusion via signalling in multiunit ascending price auctions. (ARC Small Grant).

International Research Collaboration

Professor John Creedy

“Modelling Taxes and Transfers, and Measuring Progressivity”, J. van de Ven, Oxford University, UK.

“Measuring Horizontal Inequities in Taxation”, P. Lambert, University of York, UK.

“Measuring the Built-in Flexibility of Taxes, and Project on Endogenous Growth Models”, N. Gemmell, University of Nottingham, UK.

“Microsimulation Modelling”, .A. Duncan: University of Nottingham and Institute for Fiscal Studies, UK.

Professor David Dickson

“On the Time to Ruin for Erlang(2) Risk Processes”, C. Hipp, University of Karlsruhe, Germany.

Dr. Robert Dixon

“Regional Unemployment”, D. Shepherd, Imperial College London, UK.

Dr. Lata Gangadharan

“Transactions Costs in Tradeable Permit Markets: An Experimental Study of Pollution Market Designs”, T. Cason, Purdue University, USA.

“Trust, Reciprocity and Altruism: Untangling the Strands using Experiments”, A. Chaudhuri, Washington State University, USA.

Dr. David Harris

“Stochastic Cointegration”, B. McCabe, University of Liverpool, UK. S. Leybourne, University of Nottingham, UK

Dr. Olan Henry

“Linear and Non-Linear Transmission of Equity Return Volatility: Evidence from the US, Japan and Australia”, C. Brooks, The ISMA Center, Department of Economics, The University of Reading, UK.

“Can Portmanteau Non-linearity Tests Serve as General Model Misspecification Tests? Evidence from Symmetric and Asymmetric GARCH models”, C. Brooks, The ISMA Center, Department of Economics, The University of Reading, UK.

“The Effect of Asymmetries on Optimal Hedge Ratios”, C. Brooks, The ISMA Center, Department of Economics, The University of Reading, UK. G. Persaud, The ISMA Center, Department of Economics, The University of Reading, UK.

“The Impact of News on Measures of Undiversifiable Risk: Evidence from the UK Stock Market”, C. Brooks, The ISMA Center, Department of Economics, The University of Reading, UK.

“The Asymmetric Effects of Real and Nominal Uncertainty on Inflation and Output Growth”, K. Grier, University of Oklahoma, USA. N. Olekalns

“Modelling Linear and Non-Linear Causality: Output Growth and Inflation”, C. Brooks, The ISMA Center, Department of Economics, The University of Reading, UK. K. Grier, University of Oklahoma, USA. N. Olekalns.

“Non-Linearities and Price Determination on the London Metal Exchange”, H. Thille Guelph, Canada. B. Goss, Monash.

Associate Professor J. Hirschberg

“Antitrust Issues in International Comparisons of Market Structure”, E. Maasoumi, Southern Methodist University, USA. D. Slottje, Southern Methodist University, USA. A. Arize, Texas A&M University, USA.

“Clusters of Attributes and Well-Being in the US”, E. Maasoumi, Southern Methodist University, USA. D. Slottje, Southern Methodist University, USA

“The Environment and the Quality of Life in the United States Over Time”, E. Maasoumi, Southern Methodist University, USA. D. Slottje Southern Methodist University, USA.

“The Reparameterization of Linear Models Subject to Exact Linear Restrictions”, D. Slottje, Southern Methodist University, USA.

“Multivariate Generated Regressors and Heteroskedasticity in a Cross-Section: An Application to The Value of Neighborhood Schools”, K. Hayes, SMU, Dallas, Texas, USA. L. Taylor Federal Reserve Bank, Dallas, Texas, USA. J. Lye.

Associate Professor D. S. Ironmonger

“Final Report and Recommendations - Issues for the Future”, Expert Group on Household Income Statistics, The Canberra Group.

“Report on New Zealand’s Household Satellite Account, Statistics New Zealand.

“Multinational Time Use Study”, J. Gershunny, University of Essex, UK. A. Harvey, St Mary’s University Canada.

“Multinational Household Expenditures Study”, J. Gershunny, University of Essex, UK. A. Harvey, St Mary’s University Canada.

Associate Professor J. Lye

“Multivariate Generated Regressors and Heteroskedasticity in a Cross-Section: An Application to The Value of Neighborhood Schools”, K. Hayes, SMU, Dallas, Texas, USA. L. Taylor Federal Reserve Bank, Dallas, Texas, USA. J. Hirschberg.

Associate Professor Donald MacLaren

“State Trading Enterprises and the World Trade Organisation”, S. McCorrison, University of Exeter, UK.

“State Trading Enterprises in Agriculture”, C. Cahill, Organisation for Economic Co-operation and Development, France.

“Competition Policy and International Agricultural Trade”, T. Josling, Stanford University, USA.

“Domestic Support Issues in the WTO Negotiations on Agriculture”, (for the International Agricultural Trade Research Consortium), P. Lynne Kennedy, Louisiana State University, USA.

“Issues in the Administration of Tariff-Rate Import Quotas in the Agreement on Agriculture in the WTO”, (for the International Agricultural Trade Research Consortium), H. de Gorter, Cornell University, USA.

“The Industrial Organisation structure of the Japanese market for imported wheat”, C. Carter, University of California at Davis, USA.

Professor Peter Lloyd

“Frontiers of Research on Intra-industry Trade”, J. Markusen, University of Colorado at Boulder, USA.

Associate Professor Neville Norman

“Impact of International Factors on British Industrial Prices, 1970-2000”, K. Coutts, Cambridge, UK.

Dr, Nilss Olekalns

“Tax Smoothing, Financial Repression and Fiscal Deficits in India”, P. Cashin, International Monetary Fund, Washington D.C., USA. R. Sahay, International Monetary Fund, Washington D.C., USA.

“Tax Smoothing, Tax Tilting and Fiscal Sustainability in Pakistan”, P. Cashin, International Monetary Fund, Washington D.C., USA. N. Haque, International Monetary Fund, Washington D.C., USA.

“The Asymmetric Effects of Real and Nominal Uncertainty on Inflation and Output Growth”, K. Grier, University of Oklahoma, USA. O. Henry.

“Modelling Linear and Non-Linear Causality: Output Growth and Inflation”, C. Brooks The ISMA Center, Department of Economics, The University of Reading, UK. K. Grier, University of Oklahoma, USA. O. Henry.

Conferences and Workshops Organised

- Gangadharan, L. and K. Sherstyuk, Organised session on Experimental Economics, at the Western Economic Association International Meetings (with K. Sherstyuk).
- Gangadharan, L., Department Seminar Convenor 1st semester.
- Gunther, A., Department Monday Workshops
- Lim, G., 10th Melbourne Money and Finance Conference - "Exchange Rate Volatility: Causes, Consequences and Management" (with K. Davis)
- Lloyd, P., Conference on the Frontiers of Research on Intra-Industry Trade, Boulder, Colorado
- Lloyd, P., Fifth Conference on International Trade Education and Research, Melbourne, (with APEC Studies Centre at Monash University).
- Lloyd, P., CEDA Conference on Growth in the Australiana Economy, Melbourne
- McDonald, I., Conference on Scholarship in Teaching Economics. (Co-organiser with W. Becker, Indiana University and C. Johnston).
- Stemp, P., Department Seminar Convenor 2nd semester.

Conference and Seminar Presentations

University of Melbourne Conference and Seminar Papers Presented

- Amiti, M. "Estimating the Effects of Investment and Trade Liberalisation", December.
- Borland, J., "Displaced Workers in Australia", April.
- Borland, J., "Invited Discussant", International Conference on Teaching in Economics, July.
- Cameron, L., "An Analysis of the Role of Social Safety Net Scholarships in Reducing School Drop-out During the Indonesian Economic Crisis", August.
- Chou, Y., "The Macroeconomic Impact of Incentive-Based Worker-Choice Wages", May.
- Chou, Y., "The Effect of Central Bank Independence and Union Concentration on Inflation and Unemployment in OECD Countries", December.
- Creedy, J., "Modelling the Labour Supply Effect of Tax reform", January
- Crosby, M., "New Uses of Databases in Macroeconomics", November
- Crosby, M., "Consequences of Exchange Rate Volatility", 10th Melbourne Money and Finance Conference, December
- Gangadharan, L. "One Day Workshop", December.
- Freebairn, J., "Social Security Reform and Unemployment", January.
- Freebairn, J., "Strategic Choices of Generic Advertising Levels", April.
- Freebairn, J., "Funding Meteorological Services", April.
- Freebairn, J., "Victorian Government Finances and the GST", Public Policy Program, June.
- Henry, O., "The Impact of News on Measures of Undiversifiable Risk: Evidence from the UK Stock Market", February.
- Henry, O., "The Effect of Recessions on the Relationship Between Output Variability & Growth", September.
- Hirschberg, J., "Regressions Subject to Linear Restrictions", May.

- Ironmonger, D., “Work, Income and Welfare in Australia”, August.
- Ironmonger, D., “Inequality in Money, Non-Money and Extended Income for Individuals and Households”, October.
- Lloyd, P., “WTO under Threat”, Fifth Annual Conference on International Trade Education and Research, Melbourne, October.
- MacLaren, D., “The International Trade Effects of State Trading Enterprises”, October.
- McDonald, I., “Demographic Change in Asia: The Impact on Optimal National Saving, Investment and the Current Account”, June.
- McDonald, I., “Conflicting Policy Objectives”, VCE Lecture, July.
- Norman, N., “Global Competitive Pressures on UK Industry 1974-1999”, March.
- Norman, N., “VCE Series for Students”, July.
- Olekalns, N., “Inflation and Growth”, VCE Lecture, February.
- Olekalns, N., “Enriching the Learning Environment: A CALM Approach”, November
- Stemp, P., “Interest Rates and the Economy”, University of Melbourne Retired Academic Staff Association, September.

Off Campus Conference and Seminar Papers Presented

- Amiti, M. “Foreign Direct Investment and Trade”, ERWIT 2000, University of Copenhagen, June.
- Amiti, M. “IIT and Geography”, Boulder Colorado, August.
- Amiti, M. “Industry Location and International Trade with Vertically Linked Industries”, University of Adelaide, October.
- Bardsley, P. “Multi-task Agency: A Combinatorial Model”, Conference on Economic Design, Istanbul, June.
- Bardsley, P. “Rational Addiction to Gambling” University of Hawaii, November.
- Bardsley, P. “Career Paths in Organisations: An OLG Agency Model”, Purdue University, November.
- Borland, J., “Invited Discussant”, Labour Econometrics Workshop, University of Tasmania, April.

- Borland, J., "Displaced Workers in Australia", Productivity Commission, June.
- Borland, J., "Displaced Workers in Australia", Conference of Economic Society of Australia, Gold Coast, July.
- Borland, J., "Displaced Workers in Australia", University of Sydney, September.
- Borland, J., "Invited Discussant", PhD Conference in Economics and Business, ANU, November.
- Borland, J., "Unemployment in Australia", National Unemployment Conference, UWS, December.
- Cameron, L., "A Poverty Assessment of Indonesia", Asian Development Bank Meeting, Indonesia, February.
- Cameron, L., "A Poverty Assessment of Indonesia", Asian Development Bank, High Level Forum, Indonesia, February.
- Cameron, L., "An Analysis of the Role of Social Safety Net Scholarships in Reducing School Drop-out During the Indonesian Economic Crisis", World Bank, Washington, June.
- Cameron, L., "An Analysis of the Role of Social Safety Net Scholarships in Reducing School Drop-out During the Indonesian Economic Crisis", RAND, Santa Barbara, USA, June.
- Cameron, L., "An Analysis of the Role of Social Safety Net Scholarships in Reducing School Drop-out During the Indonesian Economic Crisis", Monash University, September.
- Cameron, L., "An Analysis of the Role of Social Safety Net Scholarships in Reducing School Drop-out During the Indonesian Economic Crisis", RSPAS, ANU, October.
- Cameron, L., "Discussant - The Role of Micro-Finance in Poverty Alleviation in Indonesia by David Kaluge", PhD Conference, ANU, November.
- Chou, Y., "The Effect of Central Bank Independence and Union Concentration on Inflation and Unemployment in OECD Countries", Australian Macroeconomics Conference 2000, University of Queensland, March.
- Chou, Y., "Testing Alternative Theories of Labor Supply: Evidence from Singapore Taxi Drivers", ANU, June.

- Chou, Y., “Testing Alternative Theories of Labor Supply: Evidence from Singapore Taxi Drivers”, Monash University, October.
- Chou, Y., “The Effect of Central Bank Independence and Union Concentration on Inflation and Unemployment in OECD Countries”, Monash University, November.
- Crosby, M., “Exchange Rate Volatility and Macroeconomic Performance in Hong Kong”, Hong Kong Institute for Monetary Research, Hong Kong, May.
- Crosby, M., “Business Cycles”, Hong Kong Institute for Monetary Research, Hong Kong, June.
- Crosby, M., “Are International Business Cycles Independent?” Annual Conference of Economists (Brisbane), July.
- Crosby, M., “Exchange Rate Volatility and Macroeconomic Performance in Hong Kong”, University of Queensland, August
- Dickson, D., “Some Results for Erlang(2) Risk Processes”, ISEG, Technical University of Lisbon, July.
- Dickson, D., “The Time Value of Ruin Revisited,” Actuarial Teachers’ Meeting, Cambridge, July.
- Dickson, D., “On The Time To Ruin For Erlang (2) Risk Processes”, IME Conference, University of Barcelona, July.
- Dowling M., “Short Term Economic Forecasts for Asian Developing Countries”, LINK Economics Conference, New York, USA, April.
- Dowling M., “Short Term Economic Forecasts for Asian Developing Countries”, LINK Economics Conference, Oslo, Norway, October.
- Fitzherbert, R., “Inefficient Markets”, Securities Institute of Australia - Sydney, February.
- Fitzherbert, R., “Inefficient Markets and Irrational Investors”, Victoria University of Technology, April.
- Fitzherbert, R., “Inefficient Markets”, Securities Institute of Australia - Sydney, November.
- Fitzherbert, R., “Inefficient Markets”, Securities Institute of Australia - Brisbane, November.
- Freebairn, J., “Policy Options to Reduce Unemployment”, Sofitel, Melbourne, April

- Freebairn, J., "2000 Federal Budget Forum", May.
- Freebairn, J., "Federal Budget", Monash University, Peninsula, June.
- Freebairn, J., "Capital Gains Taxation in Australia", June
- Freebairn, J., "Doubling Agricultural Exports by 2010", Melbourne, VFF Annual Conference, July.
- Freebairn, J., "Discussant for National Saving Trends and Policy", Reserve Bank, Sydney, July.
- Freebairn, J., "Roles for and Effects of Pollution Taxes", Parliament House, Canberra, July
- Freebairn, J., "Capital Gains Taxation in Australia", Fraser Institute, Vancouver, September.
- Freebairn, J., "Funding Meteorological Services", Monash University, November.
- Freebairn, J., "Social Costs and Benefits from Public Investment and Innovation", Hyatt, Melbourne, November.
- Gangadharan, L., "Environmental Labelling and Incomplete Consumer Information in Laboratory Markets", Indian Statistical Institute, Delhi, India., January
- Gangadharan, L., "Environmental Labelling and Incomplete Consumer Information in Laboratory Markets", Australian Graduate School of Management, Sydney, April.
- Gangadharan, L., "Interrelationships between Income, Health and the Environment: Extending the EKC Hypothesis", Research School of Pacific And Asian Studies, Australian National University, Canberra, May.
- Gangadharan, L., "Transactions Costs in Tradeable Permit Markets", ESA Conference (New York), June.
- Gangadharan, L., "Emissions Trading", Conference organised by Sydney Futures Exchange and Securities Industry Research Centre of Asia-Pacific, Sydney, July.
- Gangadharan, L., "Testing First Son Preference in South Africa", World Congress of The Econometrics Society, August.
- Gangadharan, L., "Economic Policies for Global Warming", Conference organised by UNESCO, Milan, Italy, October.
- Harris, D. "Regression with Interval Data", ANU, September.

- Harris, D. "Regression with Interval Data", Liverpool, October.
- Henry, O., "The Effect of Asymmetries on Optimal Hedge Ratios", Monash University, May.
- Henry, O., "The Effect of Recessions on the Relationship Between Output Variability & Growth", Conference of Economists (Gold Coast), July.
- Henry, O., "The Impact of News on Measures of Undiversifiable Risk: Evidence from the UK Stock Market", RMIT, September.
- Henry, O., "The Impact of News on Measures of Undiversifiable Risk: Evidence from the UK Stock Market", Queensland University of Technology, September.
- Hirschberg, J., "Discussant: Strategy, Scale of Policy: Exit in the Australian Passenger Vehicle Industry", 3rd Labour Econometric Workshop, Hobart, April.
- Hirschberg, J., "Invited Discussant for: The Effect of Educational Attainment in Welfare Dependence: Evidence from Canada", Panel Data and Policy Conference, Australian Department of Family and Community Services, Canberra, May.
- Hirschberg, J., "Does the Technology of Foreign-Invested Enterprises Spill over to other Enterprises in China?" Economics Department, University of New South Wales, July.
- Ironmonger, D., "Measuring Volunteering in Economic Terms," Academy of Social Sciences, Sydney, February
- Ironmonger, D., "Project LINK World Outlook - Country Report, Australia", New York, USA, May.
- Ironmonger, D., "Valuing Household Production in the National Accounts Framework", Statistics New Zealand, Wellington, NZ, July.
- Ironmonger, D., "Long-Term Global Projections of Household Numbers and Size Distributions for LINK Countries and Regions", Project LINK Meeting , Oslo, Norway, October.
- Ironmonger, D., "Project LINK World Outlook - Country Report, Australia", Oslo, Norway, October.
- King, S., "Regulating Endogenous Customer Switching Costs", Economic Theory Workshop, Flinders University, February.
- King, S., "Valuing Easements", ACCC workshop, Melbourne, June.

- King, S., "Access: What, Where How", ANU, Canberra, June.
- King, S., "Mobile Network Competition, Customer Ignorance and Fixed-to-Mobile Call Prices", ITS conference, Buenos Aires, June.
- King, S., "Regulating Endogenous Customer Switching Costs", University of Queensland, August.
- King, S., "The Neutrality of Credit Card Interchange Fees", Charles River Assoc, Boston, October.
- King, S., "The Neutrality of Credit Card Interchange Fees", Charles River Assoc., Washington, October.
- King, S., "The Economics of Penalties and the Penalty of Being an Economist", Wellington, New Zealand, November.
- Lim, G., "Careers in Economics", Economic Society (Victorian Branch) March.
- Lim, G., "Option Pricing with Generalised Distributional Forms", Economic Society (Victorian Branch) October.
- Lloyd, P., "Intra-industry FDI and Trade Flows: New Measures of Global Competition", Joint Symposium National University of Singapore-University of Melbourne, June.
- Lloyd, P., "Global Integration and the Persistence of the Nation State", Symposium to Commemorate the Fiftieth Anniversary of the Japan Society of International Economics, June.
- Lloyd, P., "Intra-industry Trade in Services", Conference on Research on Intra-Industry Trade, Boulder, Colorado, August.
- Lloyd, P., "IIT in Service Trade", Intra- industry Trade Conference (University of Colorado), August.
- Lloyd, P., "The Economic Importance of East Asia to Australia," Shann Memorial lecture, University of Western Australia, October.
- Lye, J., "The Interpretation of Multiple Dummy Variable Coefficients", Third Labour Econometric Workshop - University of Tasmania, April.
- MacLaren, D., "The International Trade Effects of Exporting STEs", Department of Economics and Finance, La Trobe University, November.
- Martin, V., "Measuring Contagion in the East-Asian Currency Crisis", IMF, Washington, November.

- Martin, V., "Comment on the Paper Nonlinear Model of Exchange Rates by Ralf Becker", PhD conference, December
- McDonald, I., "Demographic Change in Asia: The Impact on Optimal National Saving, Investment and the Current Account", (with Ross Guest), Sydney, January.
- McDonald, I., "Ageing, Optimal National Saving and Future Living Standards In Australia", Griffith University, December.
- McDonald, I., "Ageing, Optimal National Saving and Future Living Standards In Australia", Max Planck Institute For Demographic Research, December.
- Norman, N., "Econometric Testing of Global Competitive Pressures", Queens College Cambridge, January.
- Norman, N., "Financial Forecasts for 2000 and Beyond", AMP Society Sydney, January
- Norman, N., "Pricing and Marketing in the Face of International Competition: the UK Case 1974 - 1999", Judge Institute of Management, Cambridge University England, February.
- Norman, N., "Economics of Australia Forest Industries - Keynote", Forest Products Industries Association., Albury, March.
- Norman, N., "Urban Development issues for 2020", UDIA International Conference Sydney, March.
- Norman, N., "Asian Industry Prospects", Regent, Bangkok, March.
- Norman, N., "Financial Economics Imperatives for Financial Planners", Adelaide, April.
- Norman, N., "Forecasting the Australian Economy and Tax Reform", City of Yarra, April.
- Norman, N., "Economic Review", GMAAC Melbourne, May.
- Norman, N., "The Budget", ANZ Budget Dinner, Grand Hyatt Melbourne, May.
- Norman, N., "The Budget", ANZ Budget Dinner, Hyatt on Park Sydney, May.
- Norman, N., "Budget Review", Carlton Crest Melbourne, May.
- Norman, N., "Budget Review ICA WA", Grand Hyatt Perth, May.
- Norman, N., "E-commerce and the Techno Crash", Melbourne Aquarium - Andersen Consulting, May.

- Norman, N., “GST Impact on Pharmacists”, Briston Myers Squibb seminar, Sebel Sydney, June.
- Norman, N., “Labour Market Trends and Remuneration Pressures to 2020”, Melbourne Conventional Centre Southbank, September.
- Norman, N., “Asian Economic Prospects”, Kuala Lumpur, September.
- Norman, N., “Global Competitiveness of UK Industry 1974-2000”, University of Wollongong, September.
- Norman, N., “Economic Outlook for Business”, Whitehorse Business Group, September.
- Norman, N., “Economic Analysis for the Australia Labour Market in 2020”, Retirement and Recruitment Consultants Association, Melbourne, September.
- Norman, N., “Economic Review”, GMAAC Melbourne, November.
- Norman, N., “Economic Prognosis for the Publishing Industry”, Horwitz Group, December.
- Norman, N., “Economics of the Hi-Technology Sector”, Young Presidents’ Organization, Melbourne, December.
- Olekalns, N., “The Effect of Recessions on the Relationship Between Output Volatility and Growth”, 5th Annual Australasian Macroeconomics Workshop, University of Queensland, April.
- Olekalns, N., Discussant “Tax Smoothing”, 5th Annual Australasian Macroeconomics Workshop, University of Queensland, April.
- Olekalns, N., “Critical and Analytical Learning in Macroeconomics (CALM)”, EAIR Forum, Berlin September.
- Soupourmas, F., “Why Value Unpaid Work”, Women’s Action Alliance, 25th Anniversary Conference, October.
- Stemp, P., “Achieving the Best Fiscal Policy Outcome: What Does the Government Need to Know”, Griffith University, Gold Coast, Queensland, March.
- Stemp, P., “Exploiting Model Structure to Solve the Dynamics of a Macro Model”, Fifth Macroeconomics Workshop, University of Queensland, April.
- Stemp, P., “Exploiting Model Structure in Numerically Solving Dynamics”, CEF 2000, Barcelona, July.

- Stemp, P., “Exploiting Model Structure to Solve the Dynamics of a Macro Model”, Monash University, Clayton, September.
- Tourky, R., “Markets with Many More Agents than Commodities”, University of Paris, March
- Tourky, R., “A Theory of Value with Non-linear Prices”, European General Equilibrium Conference, May.
- Tourky, R., “Markets with Many More Agents than Commodities”, University of Adelaide, June.
- Tourky, R., “Markets with Many More Agents than Commodities”, University of Sydney, June.
- Tourky, R., “A Theory of Value with Non-linear Prices”, University of Sydney, June.
- Tourky, R., “Markets with Many More Agents than Commodities”, ANU, June
- Tourky, R., “Markets with Many More Agents than Commodities”, University of Queensland, August.
- Tourky, R., “Markets with Many More Agents than Commodities”, Monash, September.

Departmental Seminar Program

Semester 1

- March 2 John Kennan (University of Wisconsin, Madison) Optimal Monetary Impulse-Response Functions in a Matching Model.
- March 9 William Reed (University of Victoria, Canada) The Pareto Law of Incomes Expanded and Explained.
- March 16 Farshid Vahid (Monash University) The Importance of Common Cyclical Features in VAR Analysis: A Monte Carlo Study.
- March 23 Nils-Petter Lagerloef (University of Sydney) From Malthus to Modern Growth: The Three Regimes Revisited.
- March 30 Robert Flanagan (Stanford University) The Effect of a Change in Economic System on Wage Structures.
- April 6 Gautam Bose (UNSW) Fragmented Reputation and the Decline in Public Morality.
- April 13 Joan Muysken (Maastricht University, The Netherlands) Job Growth and Social Harmony: A Dutch Miracle.
- April 20 Jeffrey Kline (ANU) Minimum Memory for Equivalence between time Consistency and ex ante Optimality.
- May 4 Raul A. Barreto (University of Adelaide) Taxes, Corruption and Endogenous Growth.
- May 11 Richard Damania (University of Adelaide) When the Weak Win: The Strategic Role of Investment Lobbying.
- May 18 David Prentice (Latrobe University) Unionisation, Production, Flexibility and Cost Efficiency: Evidence from US Manufacturing.
- May 25 Rohan Pitchford (ANU) Incomplete Contracts and the Problem of Social Harm.
- June 1 Murray Kemp (UNSW) Insecure Foundations of Comparative Statics.
- June 7 Henryk Kierkowski (Graduate Institute of International Studies, Switzerland) Globalization and Fragmentation of Production.

- June 8 Micahel Smart (University of Toronto) Business Tax Lobbying.
- June 15 Paul Koffman (University of Technology, Sydney) Imputation Methods for Incomplete Variables in Finance.
- June 22 Andrew Weiss (Victoria University of Wellington) Bayesian Analysis of a Calibrated Model.

Semester 2

- July 27 Jan-Egbert Sturm (Bond University) How Robust is the Relationship Between Economic Freedom and Economic Growth?
- August 3 Ellie Appelbaum (University of Sydney) Incomplete Contracts, Bankruptcy and the Firm's Capital Structure.
- August 10 Gary Ferrier (University of Arkansas) Bank Efficiency and Economic Growth: The case of ASEAN.
- August 17 Bruce Chapman (ANU) Recessions and Long-Term Unemployment.
- August 24 Jeffrey Kline (ANU) Minimum Memory for Equivalence Between Ex Ante Optimality and Time Consistency.
- August 31 Neil Campbell (Massey University) Can We Believe in Cold Showers?
- September 7 Shelton Brown (University of Queensland) Public Sector, Non-profit, and For-profit Competition in an Urban Setting.
- September 14 Rhema Vaithianathan (ANU) Insurance with Rank-dependent Expected Utility and Asymmetric Information.
- September 25 Akihito Asano (ANU) Education, Fertility and Growth: Does Inequality Matter?
- September 27 Gillian Hewitson (La Trobe University) Feminist Economics: What is it and what Difference Does it Make?
- October 3 Ryle Perera (University of New South Wales) The Role of Index Bonds in Universal Currency Hedging
- October 5 Stephen Donald (Boston University) Consistent Tests for Stochastic and Lorenz Dominance.
- October 10 Hsiao-Chuan Chang (ANU) Wage Differential, Trade, Productivity Growth and Education.

- October 11 Andrew Wait (ANU) Delays in Bargaining with Incomplete Contracts
- October 12 Rodney Beard, (University of Queensland) A Numerical Stochastic Differential Game of Common Property Grazing.
- October 19 Alexandra Sidorenko (ANU) A Stochastic Model of Demand for Medical Care with Health Insurance.
- October 26 Peter Forsyth (Monash University) Productivity and Performance in Australian Domestic Aviation Since Deregulation.
- October 31 Jim Roumasset (University of Hawaii) Spatial and Temporal Consequences of State Trading Enterprises: The Case of Rice in the Philippines.
- November 15 Guillaume Rocheteau (University of Lausanne, Switzerland) The Role of Money in Double Coincidence Environments.
- December 13 Gary Stoneham (DRNE) Otto Doering (Purdue) John Stierna (USDA) Auctions for Environmental Benefits: Designs for Australia and US Experience.

Departmental Workshop Program

Presented by Academic Staff and Academic Visitors to the Department

Semester 1

- March 6 Tarun Sabarwal (University of California at Berkeley)
Bankruptcy in General Equilibrium.
- March 13 Olan Henry, The Impact of News on Measures of
Undiversifiable Risk: Evidence from the UK Stock Market
(co-author Chris Brooks).
- March 20 Neville Norman, Global Pressures on UK Manufacturing and
Price-setting.
- March 20 Tim Cason (Purdue) Buyer Search and Price Dispersion: A
Laboratory Study (co-author Dan Friedman).
- April 3 John Freebairn, Funding and Pricing Meteorological Services.
- April 10 Peter Stemp, Exploiting Model Structure to Solve the
Dynamics of a Macro Model.
- April 17 Jeff Borland, Displaced Workers in Australia.
- May 1 Jim Perkins, Some Current Issues of International Monetary
Policy.
- May 8 Yuan Chou, Constrained Worker-Choice Wages: Reducing
the Cost of Disinflation.
- May 15 Joe Hirschberg, Regressions Subject to Linear Restrictions.
- May 22 David Harris, Regression with Uncertain Observations.
- July 10 Heather Antecol (Illinois State University), Why is there Inter-
ethnic Variation in the Gender Wages Gap? The Role of
Cultural Factors.

Semester 2

- July 31 Harry Clarke, Prioritising Research in Australian Universities.
- August 7 Chinhui Juhn (University of Houston), The Expansion of
College Education in the United States: Is There Evidence of
Declining Cohort Quality?

- August 14 Lisa Cameron, The Role of Social Safety Net Scholarships in Preventing Mass School Drop-out in Indonesia During the Asian Crisis
- August 21 Vance Martin, Multivariate Generalised Distributions with an Application to Pricing Time-Varying Risk.
- August 28 Beth Allen (University of Minnesota) On the Definition of Differential Products in the Real World.
- September 4 Olan Henry, The Effect of Recessions on the Relationship Between Output Variability and Growth.
- September 11 William Griffiths (University of New England) Estimating Lorenz Curves using a Dirichlet Distribution.
- September 15 Dalia Marin (University of Munich) Disorganisation and Financial Collapse.
- September 18 Yvan Lengwiler (Swiss National Bank, Zurich) Auctions and Corruption.
- October 2 Stephen King, Regulating Endogenous Switching Costs.
- October 9 Henry Thille (University of Winnipeg) The Strategic Use of Inventories in a Cournot Duopoly.
- October 16 Donald MacLaren, The Trade Distorting Effects of a Single Desk Exporting State Trading Enterprise.
- October 23 Duncan Ironmonger, Inequality in Money, Non-Money and Extended Income for Individuals and Households.
- October 30 Harry Clarke, Public Policies for Reducing Heroin Use: Some Economic Aspects.

Graduate Students

PhD Theses - Passed

Hepburn, G. A.	Buyer structure and Australian manufacturing industries.
Leung, A. P.	Demographic efficiency of overlapping generation models.
Moenjak, T.	Vocational education and the industrialisation process: the case of Thailand during the growth period, 1989-1995.
Pereira, R.	Genetic algorithm optimisation and adaptation of technical trading rules for financial markets.

PhD Theses - In Progress

Austen, S., E	Culture and the labour market.
Bellis, C. S.	The development of the actuarial profession in Australia.
Blackham, J. M.	The employment effects of minimum wages in the Australian youth labour market.
Chin, M.	Estimating the neoclassical model of economic growth.
Cunningham, M. B.	Efficiency arising through competition reform in Australian infrastructure.
Delaitre, J. H.	Three essays on financial econometrics.
Foley, M. T.	Vertical restraints in Australian industry.
Fry, R. A.	VAR modelling of Australian and international linkages.
Harris, M. S.	Natural resource depletion in models of economic growth.
Hou, H.	Foreign trade.
Hudson, A. D.	International capital flows.
Kam, T. C. Y.	Modelling and estimating Non-Walrasian business cycle models.
Kells, S. S.	The microeconomics of firm success: a new approach with evidence from Australia.

- Kusump, S. Examining China's trade policy on agricultural products.
- Lakshman, R. W. Stock markets, contagion and growth.
- Lees, K. Monetary economics.
- Liew, R. T. L. Transformation of planned economy to market economy in China.
- Liyanaarachchi, T. S. Exchange rate policy.
- Lu, L. The optimal level of saving in China.
- Milne-pott, J. B. The application of economic pricing principles to access pricing for essential facilities in the Australian context.
- Nemes, V. Electronic trading for resources.
- Pickering, G. M. The form completeness and negotiation pattern of government contracts for provision of services - child welfare.
- Purnawan, M. E. Exchange rate policy in Indonesia.
- Roberts, A. H. Taxation in a politico-economic model.
- Ryan, C. A. Human capital and the Australian labour market.
- Silva, A. D. Effects of sanitary and phytosanitary measures on competitiveness of the Australian processed food industry.
- Song, L. L. Exchange rates and policy in China: 1980 - 1999.
- Stachurski, J. Big push development with elastic labour supply.
- Tawadros, G. Contagious currency crisis: channels of conveyance.
- Taylor, J. P. An investigation of changes in retail bank deposit products in Victoria, Australia, 1988-1993.
- Taylor, S. M. Government policies, interest groups and wealth distributions.
- Weinberg, N. N. Essays in the pure theory of international trade: the effects of product innovation.
- Wildes, R. S. Greenness as a competitive advantage.
- Wilkins, R. Immigrant earnings in Australia.
- Wong, C. M. A. Assessing the multivariate dynamic approach: an Asian experience.
- Wu, S. International trade and income equality.

Subject Student Numbers 1998 to 2000

	1998	1999	2000
First Year			
300-101 Actuarial Studies 1	115	116	94
316-101 Introductory Macroeconomics	1298	1362	1285
316-102 Introductory Microeconomics	1656	1636	1567
316-129 Business Statistics	499	553	N/A
316-130 Quantitative Methods 1	703	603	1054
Second Year			
300-203 Financial Mathematics I	74	118	117
300-204 Financial Mathematics II	39	68	79
316-201 Intermediate Macroeconomics	784	835	756
316-202 Intermediate Microeconomics	1130	1066	985
316-205 Introductory Econometrics	449	456	454
316-206 Quantitative Methods 2	766	672	646
316-207 Mathematical Economics	58	N/A	N/A
316-208 Economics of the Environment	34	45	41
316-210 Competition and Strategy	N/A	134	102
Third Year			
300-330 Survival Models: Theory and Application	49	60	69
300-331 Modelling in Insurance and Finance I	N/A	N/A	65
300-332 Modelling in Insurance and Finance II	N/A	N/A	52
300-341 Actuarial Mathematics I	50	53	51
300-342 Actuarial Mathematics II	50	53	45
316-301 International Economics	149	162	155
316-302 Economic Development	44	53	40
316-303 Industrial Economics	36	15	38
316-304 Social Economics	22	N/A	N/A
316-305 Public Finance	38	N/A	N/A
316-306 Money and Banking	252	211	206
316-307 Labour Economics	N/A	27	50
316-309 Agricultural Economics	15	18	21
316-312 Macroeconomics	123	149	213
316-313 Microeconomics	147	135	210
316-316 Basic Econometrics	106	162	173
316-317 Econometrics	99	122	160
316-318 Econometric Modelling	22	14	19
316-319 Economic Development of East Asia	46	26	N/A
316-323 Privatisation and Regulation	42	N/A	N/A
316-324 Environmental Economics	28	27	34
316-325 Ecological Economics	13	7	11
316-327 Business Applications of Economics	N/A	N/A	20
316-328 Marketing Economics	N/A	27	105
316-329 The Economics of Taxation	N/A	22	21
316-350 Time Series Analysis and Forecasting	88	77	81
316-351 Economics of Financial Markets	155	224	238
316-352 Quantitative Business Analysis	75	67	60

Fourth Year

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Student Prize Winners

A.C. Morley Prize

H. Lee, for the best first year student in the Bachelor of Commerce degree

AMP Consulting Prize

G. Li, 300-331 Modelling in Insurance and Finance I. 300-332 Modelling in Insurance and Finance II

Australian Finance Commerce Prize

B. Phillips, 316-351 Economics of Financial Markets

AXA Australia Prize

A. Downes, 300-203 Financial Mathematics I. 300-204 Financial Mathematics II

Colonial Prize

H. Lee, 300-101 Introduction to Actuarial Studies

Desmond J. Cleary Memorial Prize

R. Lampe, 316-469 Financial Economics

Economics Society of Australia Prize

J. Dennis, 316-312 Macroeconomics

R. Maher, 316-313 Microeconomics

Francis J. Wright Exhibition

S. Pang 316-130 Quantitative Methods 1

N. Austen, 316-309 Agricultural Economics

Jean Polglaze Memorial Prize

E. Sheppard, 316-317 Econometrics

R. Nankervis, 316-318 Applied Econometric Modelling

H. Le, 316-350 Time Series Analysis and Forecasting

R. Lampe, 316-475 Economics Research Essay

S. Johnson, 316-475 Economics Research Essay

J.F. Major Memorial Scholarship

A. Wong, for the best third year student intending to undertake the Bachelor of Commerce Honours degree

NSP Buck Prizes

C. Ha, 300-330 Survival Models: Theory and Applications

E. Tan, 300-341 Actuarial Mathematics I. 300-342 Actuarial Mathematics II (equal share)

A. Wong, 300-341 Actuarial Mathematics I. 300-342 Actuarial Mathematics II (equal share)

Paton Advertising Service Exhibition

H. Leong, for the best student in the second year of the Bachelor of Commerce degree

State Chamber of Commerce Exhibition

A. Dark, 316-101 Introductory Macroeconomics

K. Loong, 316-102 Introductory Microeconomics

I. Linsley, 316-201 Intermediate Macroeconomics

P. Kok, 316-202 Intermediate Microeconomics

D. Marks, 316-202 Intermediate Microeconomics

O. Sviatochevski, 316-205 Introductory Econometrics

H. Ong, 316-301 International Economics

H. Koo, 316-302 Economic Development

A. Hancock, 316-302 Economic Development

S. Carrick, 316-303 Industrial Economics

H. Le, 316-306 Money and Banking

A. Smith, 316-329 Economics of Taxation

Trowbridge Consulting Prize

J. Chee, 300-410 Actuarial Control Cycle I. 300-411 Actuarial Control Cycle II (equal share)

A. Prestage, 300-410 Actuarial Control Cycle I. 300-411 Actuarial Control Cycle II (equal share)

Wilfred Prest Prize

A. Widjaja, 316-468 General Equilibrium and Welfare Economics

R. Brazenor, 316-468 General Equilibrium and Welfare Economics

William Noall & Son Prize

J. Chee, for the top honours graduate in the Faculty of Economics and
Commerce (equal share)

A. Prestage, for the top honours graduate in the Faculty of Economics and
Commerce (equal share)

Wyselaskie Scholarship

A. Tay, Political Economy (Economics)

History of the Department

The formal establishment of a Department of Economics, within the Faculty of Economics and Commerce, occurred in 1944. However courses in economics, or political economy, the name by which the discipline was universally known during the nineteenth century, had been offered since the establishment of the University.

The Chair of Modern History and Literature, Political Economy and Logic, was a foundation chair within the Faculty of Arts. Over time, as in other parts of the world, the disciplines of history and political economy were separated organisationally from their moral philosophy base, and then from each other. At Melbourne, the separation of history and political economy was slow to take place, partially for political reasons. Separate Chairs of History and of Economics and Sociology were created in 1912, but the latter remained unfilled when the University Council refused to accept conditions made by the State Premier as to the appointment of the Professor and the Victorian government withdrew supporting funds.

Political Economy therefore remained within the jurisdiction of the Department of History until the creation of the Faculty of Commerce in 1925. The first Professor of Commerce, Douglas Copland, insisted that the subject be brought under his control and that arts students share classes with commerce students.

The new commerce degree was broadly a degree in business management, with the study of economics as its lynch-pin. It was tailored to meet the needs of part-time, mature-age students already at work in business, the public service and education. It was also suitable for school-leavers.

Many of the first students had outside qualifications, particularly in accounting - what they lacked was both a knowledge of theoretical economic concepts and their application as well as an overview of the institutional anatomy of the Australian economy within its international setting. In the troubled international environment of post-World War I years, this lack was keenly felt. As a very public economist determined to influence government policy, Copland revitalised the study of economics.

One of his strong ambitions was to train professional economists equal to their counterparts abroad. In this he was helped by two developments.

The first was his association with the Social Sciences Division of the Rockefeller Foundation of New York. Appointed as its Australian representative, he developed lasting links with leading economists in North America, Britain, France, Germany, Italy, Austria, Czechoslovakia, Holland, the Scandinavian countries and China - all in key centres aided by the Foundation. Scholarships

were provided for Australians to study abroad and for overseas scholars to visit Australia.

The second development was the Ritchie bequest to establish a Chair of Economic Research. Located in the Faculty of Arts but directed from the Faculty of Commerce, it was occupied by Lyndhurst Giblin from 1929 until the outbreak of the second world war.

The Ritchie Chair served as the catalyst for the establishment, in 1930, of an Honours School of Economics within Arts, with students being directed by Giblin and Copland. Honours students were encouraged to proceed to the MA research degree, after which they were given help, often with Rockefeller funds, to study abroad at leading universities. With the outbreak of World War 2, they became key Commonwealth bureaucrats, directing the war effort. Economists had come into their own.

Under the Commonwealth Reconstruction Training Scheme, former service personnel were given financial assistance to study full-time for five years after the war. In anticipation of the great boom in the full-time undergraduates, the Faculty of Commerce was reorganised to become the Faculty of Economics and Commerce, with Economics to the fore.

Once again there was a strongly felt need within the community to ‘learn the lessons of the past’ and to learn the secrets of a managed economy.

Economics as a discipline became increasingly popular among school-leavers as well as with returned soldiers.

The rapid expansions of the Department had begun. In 1946 there were 1335 students enrolled within the entire Faculty. Impressive as this figure seemed, it is less than the 1997 enrolment figure for the Department’s first year Introductory Microeconomics. Increased enrolments have led to a greater level of specialisation and diversity of subject offerings, greater opportunities for research, a multiplication of chairs and the need for a more specialised staff. There has also been a greater diversity among students.

The Commonwealth’s immigration policy brought students with a non-British background, while in the early 1950s Commonwealth funding through the Colombo Plan brought Asian students to the Faculty and the Department, often with preferences for the study of finance and business management. They provided a spearhead for the increased influx of overseas students who are willing to pay full fees for a Melbourne degree.

The present Department of Economics has a growing international record as an institution of world class learning; in this it has built on the solid foundations laid by its predecessors.