Beginning Asian Studies
It all started in the mid 1960s. I was an economics student at the University of Queensland in Brisbane. In a course on economic development, it soon became clear that there were huge differences in income and wealth between rich and poor countries. Our text was one of the earliest books on economic development, *Economic Development: Problems, Principles and Policies*, by Benjamin Higgins. Higgins, a Canadian, later settled in Canberra. Towards the end of his life he was active in the National Centre for Development Studies at ANU.1

I was worried by these huge gaps between rich and poor countries. They seemed to me then – as they still seem to me now – a key global issue. Moreover, for many of my generation the North-South gap in Asia was brought into sharp relief by the war in Vietnam. In Australia, the national involvement in the Vietnam War took hold in 1965. In a dramatic declaration, in May 1965 in Parliament, the parliamentary Labor Party declared itself opposed to the war. The previous year, conscription had been introduced to support the war effort. These events deeply divided Australian society and affected attitudes toward Asia for the next several decades.

The war in Vietnam notwithstanding, rapid political and social changes were occurring in Asia in places such as China, South Asia, and Indonesia. In 1965 and 1966, dramatic political events were taking place as Soeharto’s “New Order” government seemed to be succeeding in sidelining Sukarno and introducing a major realignment in the geopolitical balance of power in Southeast Asia. There were sharp political disagreements in Australia focused on the perceived regional and global threats posed by communism in Asia. Then, as now, Australian society found it difficult to adjust to the many changes in Asia.

Against this background, I became increasingly interested in Asia. I spent several months at the ANU during end-year vacation scholarships in 1965-66 and then again in 1966-67. The later spell was spent in the Economics Department in the Research School of Pacific Studies (RSPacS). I mainly concentrated on writing an honours thesis on India but was also able to meet RSPacS economists working on Asia such as Heinz Arndt, Fred Fisk, Audrey Donnithorne, Ric Shand, Panglaykim,2 David Penny and Helen Hughes.3 Sir John Crawford, who was Director of the School, strongly supported the focus on Asian economic development.4

PhD studies at ANU
In late 1967 an unexpected opportunity opened up to do graduate work on Indonesia. Heinz Arndt had started the Indonesia Project in the RSPacS in 1965 and was very keen to attract some PhD students into his fold.5 Heinz offered me a PhD scholarship on condition that I focused my research on the Indonesian economy. He even offered that the scholarship would be available for a four-year period rather than the usual three years to allow time to
study Bahasa Indonesia. All of this sounded very interesting so in early 1968, having just turned 23, I embarked on my Indonesian journey. I was full of enthusiasm for the marvellous Asian world to the north of Australia. I was also largely unconscious of the complex mixture of fears about Asia held across much of Australian society.

In retrospect, the idea of sending a naïve neophyte into the field in Indonesia at that time was quite reckless. But this didn’t seem to worry Heinz. Indeed, in those early years of the Indonesia Project, Heinz often directed the Project with entrepreneurial enthusiasm. He was determined to establish the Indonesia Project as a core research project within the RSPaCS and was ready to cut corners to achieve this goal. And he was, over time, very successful in doing so.

In 1965 Heinz had established the *Bulletin of Indonesian Economic Studies* (BIES). For several years the BIES led a tenuous existence. Heinz, along with Assistant Editor Ruth Daroesman, laboured to ensure that each edition appeared on time and with worthwhile content. Heinz cut corners in recruiting staff as well, taking several people onto the academic staff who had excellent experience of the practical difficulties of maintaining a professional career in the field in Indonesia but who had less experience in publishing in well-known Western journals.

Heinz Arndt was keen that I study the development of the state-owned sector in Indonesia. After some initial confusion, it was settled that I would study the growth of the government-owned electricity firm, the *Perusahaan Listrik Negara*, as a case study of state-promoted investment in infrastructure. A total of 12 months difficult fieldwork followed in 1969 and 1970 in Jakarta. Jakarta was something of a huge kampung with very little electricity, few telephones, and almost no photocopy facilities. Fieldwork consisted of endless attempts to arrange interviews (I visited Professor Sadli’s office in Taman Cut Meutia a total of 11 times before I was able to deliver a personal letter from Heinz) and much note-taking by hand in hot offices from official documents. My PhD thesis was later approved in 1972 but, by current standards, the whole activity was more akin to study in bureaucratic anthropology than in modern economics.

Looking back, I learnt a huge amount about the practical problems of development in Asia. Development challenges across the region – including in the largest countries of China, India and Indonesia – were very daunting indeed. But the stakes were very high as well. The Vietnam War influenced much Western thinking about Southeast Asia but many development scholars, including economists, hoped (and dreamed) that pathways towards the sustained strengthening of peace and prosperity could be found. And there were encouraging glimmers of hope, not least in Indonesia where young ministerial technocrats such as Widjojo Nitisastro were beginning to influence policy. It was a risky career choice to commit to development studies but it was nevertheless an exciting time to study social and economic change in Asia.

Graduate study on the growth of the Indonesian electricity sector was a somewhat esoteric topic. But looking further afield, living in Indonesia certainly helped widen an awareness of the implications of changes in the region. In Australia, there was (as now) uncertainty and disagreement about Australia’s relations with Asia. In July 1971, the then-leader of the opposition Gough Whitlam visited China and met with Premier Zhou Enlai. A short-lived
political storm in Australia followed with accusations that Whitlam was kowtowing to the Chinese. The row evaporated when the US Government announced that national security adviser Henry Kissinger had secretly been in Beijing at the same time – entirely separately – as Whitlam and that it had been agreed that president Richard Nixon would visit China.

**Yogyakarta and Central Java**

After submitting my PhD thesis, I moved to Yogyakarta to take up a post as a lecturer (dosen) in the Economics Faculty at Gadjah Mada University (UGM). David Penny, a senior research fellow in economics in the RSPacS, had organised this. David strongly believed in the need for development economists to immerse themselves in the local environment in developing countries. I spent the next several years, from 1972 to mid 1974, lecturing at UGM and joining with faculty staff to conduct extensive fieldwork in Central Java and other parts of Indonesia. In our programs to encourage greater attention to agricultural development in Indonesia during this period, I worked closely with Mubyarto, who later became known for his interest in *Ekonomi Pancasila*, and with other well-known figures from UGM such as Sukadji Ranuwihardjo, Masri Singarimbun, and Boediono (who later became Vice President of Indonesia). Various ANU colleagues lived in Yogyakarta and visited UGM during these years: Howard Dick, Anne Booth, and Terry and Valerie Hull all participated in activities at UGM or visited the university while carrying out fieldwork.

**A spell in government**

My focus on Indonesia was then, in early 1974, temporarily interrupted by an invitation from Bill Hayden, Minister for Social Security in the Whitlam Government, to become his economic adviser in Canberra. For the rest of 1974 and to the end of 1975 I worked for Hayden in Parliament House, first while he was introducing the Medibank insurance scheme and later when he was Treasurer.

Domestic economic issues were the main preoccupation but there were opportunities to become involved in international policy matters as well. In September 1974, I was part of the official delegation accompanying Prime Minister Gough Whitlam to Indonesia to meet President Soeharto in Yogyakarta and to continue on to Wonosobo and the Dieng Plateau for further meetings. The increasing tensions in East Timor were a key part of the discussions between Whitlam and Soeharto. One of ANU’s well-known Indonesianists, Geoff Forrester, was a lead note taker and interpreter on the Australian side. In April 1975, as a staffer I accompanied Bill Hayden on a visit to Papua New Guinea shortly before PNG independence in September five months later. Ross Garnaut, then an economic adviser to the PNG government in Port Moresby, joined in meetings between Hayden and PNG chief minister Michael Somare.

Later in 1975, after Hayden had become Treasurer, I accompanied him to the annual IMF/World Bank meetings in Washington, DC. By that time, the global economy was slipping into recession (and “stagflation”) following the sharp increases in international oil prices in 1973 and 1974. Nevertheless, despite the difficult international conditions, major concerns for Australian policy makers were the domestic political turmoil in Canberra. Although conditions were deteriorating rapidly in East Timor, the problems in Timor attracted little attention in Australia until it was too late.
Indonesian studies at ANU
Following this political adventure, when the Governor-General dismissed the Whitlam government in late 1975 I returned to Indonesian economic studies at the ANU. A cohort of young Australian scholars interested in Indonesia were soon studying within the Project: Stephen Grenville, Phyllis Rosendale, Hal Hill, Chris Manning and Howard Dick. This collection of scholars who graduated in the late 1970s played a key role in supporting Indonesian economic studies in Australia for the next 30 years.

For the next ten years, from 1976 to 1986, my main attention was on supporting the Indonesia Project and strengthening ANU Indonesian studies. In the late 1970s, Anne Booth and I produced our edited book on *The Indonesian Economy during the Soeharto Era*. Heinz Arndt retired at the end of 1980 and I became head of the modest team running the Indonesia Project. A crisis in funding was overcome when there was unstinting support from the Department of Foreign Affairs (later DFAT). We worked closely, too, with R.M. Sundrum and with Jamie Mackie who had been appointed head of the new Department of Political and Social Change when it was established in 1978.¹¹

Some years earlier, David Penny had initiated the Indonesia Study Group and in 1983 we decided to experiment with the launch of on “Indonesia Update” conference. The aim of the conference was to provide an up-to-date analysis of events in Indonesia which would be of interest to the town as well as the gown. We hoped that diplomats and other public servants, journalists, and the general public would find the conference useful. Bruce Glassburner from the University of California, Davis, who was a regular visitor to the Indonesia project from the United States, spoke on recent economic developments in Indonesia.¹² Leading foreign affairs journalist Peter Hastings, who wrote a weekly column for the “Sydney Morning Herald” for many years, spoke on Australian-Indonesian relations. In the event, the Indonesia Update series was very successful. The conference has been held annually since 1983 regularly attracting over 400 participants.

Numerous other matters called on the limited resources of the Indonesia Project during this time. In late 1980, the Director of the RSPacS, Wang Gungwu, led a team of ANU Asianists to China. The group included Jamie Mackie, Gavin Jones, Tony Reid, David Marr, and Jim Fox. In 1983, after the election of the Hawke Labor government, along with Helen Hughes I was appointed a member of the Jackson Review of the Australian foreign aid program. We concentrated on formulating an acceptable program of changes to the aid program. In 1984, almost all of our proposals were adopted by the government. One of the key proposals – which did not attract much attention at the time – was the recommendation that Australian universities should be given much more freedom to offer courses to fee-paying international students. This opened the door to a remarkable change in the Australian university sector over the next few decades.

Aid programs
My links with the Indonesia Project and ANU Asian studies changed significantly when I made a major move into the Australian government in early 1986. I accepted an invitation to join the senior management of the Australian aid agency, ADAB (later AIDAB), which in turn reported to the Foreign Minister. The chance to become involved in Australian development assistance policy, including towards Asia, was attractive. I also thought that
there needed to be more cross-fertilisation between academia and the public service in Australia. It seemed a good chance to carry ideas about development in Indonesia into the Australian aid program. As it turned out, over the succeeding years I found that the gap between university studies about development in Australia and practical policy making was very wide and was hard to bridge.

The next several decades were spent in management and advisory activities in the official development assistance sector. I kept in close touch, wherever possible, with Indonesia development policy and colleagues at the ANU. Throughout this period, AIDAB found it useful to work with the NCDS (National Centre for Development Studies, later the Crawford School) under the leadership of Helen Hughes and later Ron Duncan in strengthening the policy aspects of the aid program. A good deal of travel was involved in working in foreign aid circles, including to Asia and to Europe to attend meetings of the Development Assistance Committee of the OECD. In 1992, I took up a position as Australian Executive Director at the Asian Development Bank. Indonesia had been the largest borrower from the Bank for some decades so a long experience with Indonesian development policy proved useful. On return to AIDAB (now AusAID) in 1996, a row over export credits (the DIFF program) occupied much of the rest of the year. I was sent to various Asian countries, including Indonesia and China, to try to smooth over the row. Indonesia proved easier to deal with than China.

In 1997, the Asian Financial Crisis brought financial and political turmoil to a range of countries in Asia. While academic colleagues at the ANU followed events closely and recorded key turning points, as an economic adviser within the Australian government my own concern was with day-to-day responses to events. As it turned out, with international assistance Korea and Thailand were able to recover from the crisis quite quickly. The effects were more severe in Indonesia where it took almost a decade to overcome the deep economic damage caused by the crisis.

Moving on
In the Australian Public Service in Canberra, senior staff are often deemed to have made their most useful contributions by their mid-fifties. More or less on cue, in late 2001 at the age of 57 I decided that it seemed best to move on from AusAID. My colleagues at the ANU welcomed me back into the fold. Ron Duncan, Executive Director of the NCDS, provided me with a desk and I looked to develop a program focused on Asian economic and Indonesian studies. But an era in Indonesian economic studies at the ANU came to a saddening end on 6 May 2002 when Heinz Arndt died on the ANU campus after his car had an altercation with an unyielding gum tree.13 Jim Fox passed on the news in a distressed phone call just minutes after the accident.

An unexpected offer later in 2002 opened up an opportunity to work closely with the Asian Development Bank once again – this time in Tokyo. I was invited to take up the post of the head of the Asian Development Bank Institute (ADBI), a think tank which focusses on discussions about development issues in Asia. The ANU had quite close links with the ADBI. Senior ANU colleagues who served on the Advisory Board of the ADBI included Helen Hughes, Ron Duncan, Andrew MacIntyre, and Stephen Howes. Other Australian and Indonesian colleagues who worked with ADBI during this period included Hal Hill, Peter
Warr, Thee Kian Wie, Budy Resosudarmo and Sisira Jayasuriya. Part of the work with the ADB during this period, and for some time later, involved chairing three rounds of international negotiations for the replenishment of the Bank’s concessional Asian Development Fund (ADF). Contributions were needed from donor nations to support the low-interest soft loans from the ADF. We raised well over $US 20 billion during the negotiations over successive rounds between 1999 and 2008.

The next project in ANU and Indonesian studies was also unexpected. In late 2010 Gus Papanek, a well-known development economist in the United States, contacted me to see whether I might be able to join a USAID program in Indonesia. This venture seemed worthwhile. I had never been directly involved in delivery of an aid program on the ground, and it was an opportunity to strengthen links between the ANU and Indonesian policy makers. For the next several years – through 2011 to 2013 – I worked with colleagues in Bappenas, the Indonesian Planning Agency, to try to organise useful development assistance programs. Chris Manning joined the venture for a year in 2012. But in the end, by mid 2013, it seemed clear that the wind had gone out the sails of the project. Yet another attempt to bridge the gap between town and gown had proved hard to implement.

Asian Development Bank history
Another major activity presented itself in early 2014. In April, staff from the Asian Development Bank got in touch to discuss the preparation of a book to mark the 50th anniversary of the establishment of ADB. The Bank had begun operations in late 1966 and the 50th Annual Meeting was due to be held in Yokohama in May 2017. ADB had implemented a wide range of successful programs in Asia since the 1960s. Further, many ANU development specialists had worked with the Bank over the years. It hardly seemed sensible to pass up this chance to help write a book about the life and times of a major regional institution in Asia.

As it turned out, writing about the history of the ADB was a challenging task which led me to live in Manila away from my family for almost three years. Nevertheless, the work was an opportunity to review the remarkable history of development and of regional programs in Asia since the middle of the Twentieth Century. Throughout the 1970s and 1980s, and into the 1990s, ADB had given high priority to its programs in Indonesia. It became very helpful to draw on ANU’s extensive studies of development in Asia, and especially in Indonesia, as we prepared our numerous drafts of chapters for the book.

Different drums
Five decades of both academic and public service activities focused on Asian development have provided many opportunities to join with colleagues in neighbouring countries to consider ways of tackling common challenges. But it often seems that scholars in academia and policy makers in government, especially in Australia, dance to the beat of different drums: objectives are different, time horizons are different; and the literature that the separate groups read is very different. But although the task is difficult, and although the gap is wide, we need to keep searching for ways to encourage town and gown to work more effectively together.


4 See “Sir John Crawford: Return to Academe” in Arndt, ibid.

5 Comprehensive details about the Indonesia Project are in Colin Brown, 2015, Australian’s Indonesia Project: 50 Years of Engagement, Manuka, ACT, Bobby Graham publishers.


