

Batch 68

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ECONOMIC INTERDEPENDENCE IN SOUTHEAST ASIA

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I. RESEARCH SUMMARIES

As in previous Progress Reports, the summaries of research undertaken in this report period are arranged according to the outline established in the Detailed Work Program submitted in June, 1964, and updated in October, 1965. An item that appeared in a previous report is not repeated unless there has been a change in the last six months; new developments in previously reported items are recorded in this report.

Abbreviations and terminology:

"SS" indicates Senior Staff
"RA" indicates Research Assistant
"ASUS" indicates Asian Staff in
the United States

"Draft" indicates that a paper is
being prepared

"Working Paper" indicates that a
paper is substantially in final
form and will be submitted to AID
and other interested persons for
review and criticism.

"Research Paper" indicates that a
paper is a finished product and

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will presumably be or has been presented to AID as a research product and submitted, after AID consultation for publication

"Background Paper" indicates those that were especially prepared as discussion material for the Bangkok Conference.

"PR #2, PR #3, and PR #4" indicates Progress Reports 2, 3, and 4.

I.A.1. ECONOMIC ADVANTAGE FROM ECONOMIC COOPERATION: THEORIES OF GROWTH

- (1) Draft: "Development Criteria in the IBRD Survey Mission Reports" D. Alwan (Consultant).

Summary: This paper represents an attempt to collect the measures of development used in the IBRD Survey Mission Reports. Using this criteria, a general framework for examining development has been established.

- (2) Lecture to Contract Staff: "Growth without Development: The Liberian Case" George Dalton, Northwestern University.

Summary: An AID-financed survey mission spent the year 1960-61 in Liberia, and set up rough national income statistics. On the basis of these estimates, it was found that Liberia has a high growth rate (about 10% per year), but that the induced effects on the hinterland economy of this high rate are practically non-existent. Very little induced investment has been taking place; much of the earnings have gone to purchase imported consumption goods. (The Liberian foreign debt rose from \$500,000 in 1950 to \$100 million in 1960.) The reasons behind this lack of development are political and social rather than economic.

- (3) Lecture to Contract Staff: "Country Economic Studies" C.H. Thompson, IBRD, Washington.

Summary: Before making loans to member countries, the IBRD sends out missions to evaluate the credit worthiness of the prospective borrower. These country economic studies have three basic concerns: 1) The state of the existing resources, both human and physical, are examined closely. 2) The foreign trade sector is examined with particular attention given to the balance of payments and the relationship of export earnings and the external debt. 3) The past performance of management is examined in order to determine whether or not the country has the trained manpower necessary to carry out the project. Some of the problems encountered are: inadequate statistics, incomplete and poorly formulated plans, and the lack of long term projections. In granting loans, the IBRD does not have a set of rigid standards, and qualitative aspects are stressed more than quantitative ones.

I.A.3. SPECIAL TOPICS RELATED TO GROWTH

- (1) Lecture to Contract Staff: "The Economic Aspects of Slowing Population Growth" Stephen Enke, Department of Defense, Washington.

Summary: Many of the LDC's seem destined to double their population by 1995. But they cannot double their invested capital much sooner. However, if national economic resources were devoted to retarding population growth rather than accelerating production growth, these resources could be some 100 or so times more effective in raising some LDC's outputs per head. The resource cost of preventing a birth varies widely according to methods used. 1% of a total development budget spent reducing births could be as effective in raising output per head as the other 99% altogether.

- (2) Draft of a Research Paper: "Economic Growth and the Price Level-- An Analysis of Some Asian Data" K.C. Sen (RA).

Summary: This paper deals with the question of the relationship between economic growth and the price level. The format of the paper is as follows: (1) A survey of the important studies in the field of the relationship between economic growth and the price level; (2) discussion and evaluation of three interpretations of the causes of inflation, namely, the "monetary fundamentalists", the "structural fundamentalists", and the behaviorists"; (3) analysis of data between 1952 and 1962 in relation to the behavior of prices in some Asian countries; and (4) policy recommendations.

- (3) Working Paper: "Factors Discouraging Savings in Asia" K.L. Huang (ASUS).

Summary: This is qualitative analysis of the general and specific reasons which may explain the lack of institutionalized domestic savings in the Southeast Asian countries. These causes are primarily institutional factors rooted in the social and political economies of the nations concerned. Topics for further research and some implications for AID policies are outlined.

I.B.1-2. TRADE AND PRODUCTION TRENDS AND ESTIMATES OF COMPARATIVE ADVANTAGE

- (1) Draft of a Research Paper: "The Export Trade Pattern of Southeast Asia with the Developed Regions: Some Implications for Regional Trade Cooperation" S. Naya (SS).

Summary: In P.R. #4, p.3.

- (2) Draft: "P.L. 480 and Southeast Asian Trade: Parts I & II" D.J. DeVoretz (RA).

Summary: In P.R. #4, p.4.

- (3) Background Paper: "Some Comments on Trade Projections for Developing Asian Countries" S. Naya (SS).

Summary: This paper surveys the trade projections of the developing Asian countries prepared by a number of world institutions including ECAFE. Although these studies contribute to the appraisal of the region's trade prospects, their results are substantially different. Such differences point to the need for careful scrutiny in adopting policy measures indicated by their studies. The paper goes on to evaluate the export projections of the region made by ECAFE, pointing out that the projected exports are based on certain crucial assumptions. Some of these assumptions are: 1) A constant base period for export shares of individual member countries; 2) the region will maintain a constant share of world exports; 3) the supply of the region's exports is elastic. These assumptions may not apply in the future, because of the possible emergence of new products, or regional cooperation, and of possible changes in trade volume and commodity patterns associated with changing export shares and the availability of exportable goods.

- (4) Draft: "The Influence of Natural Resources on Capital-Labor Structure of Foreign Trade and Factor Reversal" S. Naya (SS).

Summary: This paper on the factor structure of foreign trade is a comparative study of empirical results found for Japan, the U.S., India and Canada. Emphasizing the significance of natural resources in affecting the trade patterns of these countries, a critical appraisal is made of the two-factor analysis of capital and labor (C-L) to explain the comparative advantage of these countries. The paradoxical results concerning the four countries (i.e., U.S. exports are labor-intensive but her imports are capital-intensive, whereas the exports of Japan, India's exports to the U.S., and exports of Canada are all capital-intensive but their imports are labor-intensive) can well be explained by the influence of primary products on the C-L structure of these countries. Extreme variation is found in the relative C-L intensity of agriculture, low in India and Japan but high in the U.S. and Canada, whereas the extractive natural resource industries tend to be capital-intensive in all of the countries. One other important finding is that this variation in the capital-labor ratio of agriculture largely explains the occurrence of factor reversal demonstrated by B. Minhas on the basis of his C-L ranking test: his proof of factor reversal seems far from conclusive. Similarity in the relative C-L ratios of U.S. and Japanese industries can be shown by excluding the land-intensive industries.

I.B.4. GOVERNMENT POLICIES TO MODIFY COMPARATIVE ADVANTAGE

- (1) Draft of a Research Paper and Lecture to Contract Staff: "Import Substitution in Pakistan--A Comment" P.T. Ellsworth (SS).

To be submitted for publication in Pakistan Development Review.

Summary: The methodology and the results of a paper published in the Pakistan Development Review (Summer 1965) by Soligo & Stern are stated briefly. The authors, using a simplified input-output model, examined 48 industries in Pakistan and found that in 23 of them, value added (at world prices for inputs and outputs) was negative--that is, the value of inter-industry inputs alone exceeded the total value of output when world prices were used. Attribution of this striking result to the respective industries' being either (a) premature, or operating at too early a stage of their increasing return phase, or (b) overexpanded, or operating beyond the minimum cost point, is criticized as resting on inaccurate diagrammatic argument. It is contended instead that the results can be interpreted as reflecting wasteful use of inputs, factor price distortions, or methodological difficulties due to improper assumptions about price relations, or to improper weighting. Further, it is suggested that the "investment" industries shown by Soligo and Stern to have a comparative advantage are not investment industries in the usual sense of producing heavy industrial goods, but rather the producers of light manufactured goods almost exclusively.

I.B.5. TRANSPORTATION COSTS

- (1) Lecture to Contract Staff: "Ocean Freight Costs and Economic Growth in the Far East" J.H. Singman, Law Firm of Landis, Cohen and Singman, Washington.

Summary: Due in part to the cartelization of the international liner carriers, LDC's are faced with high rates and obscure rate structures. The high cost of establishing a national fleet makes it difficult for LDC's to solve their problem in this manner. Three suggestions were made to alleviate the problem: 1) LDC's in a certain area could establish a regional line. 2) Developed countries could give technical assistance to these efforts. 3) There should be more legislation to control the international shipping cartels.

II.A.3. TARIFFS AND OTHER TRADE LEVIES

- (1) Background Paper: "Tariff Structures and Effective Protection" J.C. Leith (RA).

Summary: The paper mentions the chief contributions to the development of the concept of effective protection, and proceeds to derive (step-by-step) operational formulas for the concept in terms of both world and domestic values. The necessary assumptions are specified and explained. Finally, the data requirements for accurate empirical estimation are spelled out.

- (2) Lecture to Contract Staff: "Import Substitution" J. Power, Williams College.

Summary: The theoretical justification for a policy of import substitution as a strategy of industrialization emanates from the infant industry argument, interdependence in consumption, interdependence in production, and factor-price disequilibrium in the domestic market. But such a policy, if pursued indiscriminately and to the extreme, is likely to misallocate scarce resources. because import substitution tends to undervalue foreign-exchange earnings per unit of investment, underwrites inefficiency, and aids consumption liberalization of the so-called "non-essential" goods produced domestically. As an extreme case, it may even be that the protected industry has a negative value added. The policy maker should seriously consider the alternative means open to him: vertical integration rather than horizontal integration of industries, subsidies rather than tariffs, export promotion rather than import substitution.

II.B.3. STRATEGY AND POLICY FOR REGIONAL COOPERATION

- (1) Working Paper: "A Brief Analysis of the Intraregional Trade of the Central American Common Market Countries, and Some Considerations Regarding Their Total Trade" A. Bilkey (Consultant).

Summary: On a trip through Central America in the summer of 1965 the author was able to collect a considerable amount of data on the region during the post-Common Market period. The data indicate that the volume and composition of intraregional trade have changed substantially. Both the volume of trade and the national products appear to have been stimulated by the establishment of the Common Market.

- (2) Working Paper: "A Nucleus for Developing A Common Market in Southeast Asia" K.L. Huang (ASUS).

Summary: A proposed project for the formation of a nucleus composed of Thailand, Taiwan, Viet Nam and perhaps South Korea for developing a common market with a view to including Malaysia and the Philippines in due course.

II.B.3.b. POLITICAL AND SOCIAL ASPECTS: NATIONALISM, ETHNIC AFFILIATIONS, THE EAST-WEST POWER BLOCS, ETC., AS A FORCE IN NATIONAL AND REGIONAL INTEGRATION AND DISINTEGRATION

- (1) Lecture to Contract Staff: "Political Integration in India" L.I. Rudolph, University of Chicago.

Summary: Far from acting as a block, caste is really the most important reason for the success of political integration in India. It is true that identification with a group impedes one from identifying with the nation as a whole. However, in India the hierarchy is tending to be squeezed

together which is a tendency toward unity.

- (2) Lecture to Contract Staff: "Economics, Revolution and Foreign Aid" R. Irvine, Board of Governors of the Federal Reserve System, Washington.

Summary: Marx's thesis that poverty sets off revolutions has been disproved. We should therefore discard the idea that foreign aid will help turn back Communism in the LDC's. An increased standard of living will not lower the threat of Communism in these areas. Rather we should confront the Communists in the non-economic arena, i.e., by increasing organized propaganda efforts.

- (3) Lecture to Contract Staff: "Relative Economic Development and the Stability of the International Power Structure" K. Boulding, University of Michigan.

Summary: Development is a mutation, which comes as a concomitant of a moderate amount of disorganization. The international power of a country is a function of its GNP times the proportion of its GNP that it devotes to threat-activities, times its efficiency in those activities. War is most likely--though it may or may not actually break out--when one country is coming up from behind and passing another in "international power". Wealth creates power; power destroys wealth: the cost of imperialism to imperial powers is that they send entrepreneurial types of people abroad. The cost of losing these people is great; the resource for development is people, and rather unusual people. The economic pay-offs to a non-threat, non-imperial policy are enormous.

II.C.3. POPULATION TRENDS AND POLICIES

- (1) Lecture to Contract Staff and Working Paper: "Demographic Trends and Problems in Indonesia" E.D. Hawkins (SS).

Summary: In P.R. #4, p.8.

- (2) Working Paper: "Population Theory and the Strategy of Growth: Case Study of the Philippines" A. Kelley (SS).

Summary: In P.R. #4, pp.8-9.

III.A. THE EXPERIENCE OF PLAN EXECUTION

- (1) Lecture to Contract Staff: "Fact and Fancy in Planning in Ecuador" P.T. Ellsworth (SS).

Summary: Ecuador is heavily committed to planning, with a National Planning Board with a rather large staff, a mathematical plan model, and an elaborate and wide-ranging plan embodied in some 20-odd voluminous documents. There is virtually no relation between the mathematical model

and the concrete plan, and the plan itself is related to reality only to a limited degree. Projections in the plan documents are generally suspect: some reflect an uncritical extrapolation of dubious past trends, some the application of experimental results, while others are highly imaginative. Further, translation of much of the plan into action is frustrated by wholly inadequate staff either for preparing individual projects or for executing them.

The contrast between fact and fancy are conspicuous in both the projections for banana exports, the country's principal source of foreign exchange, and the means of dealing with the problems the latter presents. Projected exports were highly inflated in the plan, making no allowance for increasing competition from rival suppliers, or for shrinking markets in Western Europe. Although the need for developing alternative crops to bananas is recognized, the magnitude of the problem is underestimated, and the steps recommended are inadequate, though in the process of being corrected.

- (2) Lecture to Contract Staff: "Planning and Price Policy with Special Reference to India" M. Grossman, The Ford Foundation, New Delhi, India.

Summary: India is a protected market in which most incomes are in the nature of economic rent. The tariff structure is such that there is a pyramiding of costs which retards exports. The exports are also hampered by the fact that the Indian market itself is wide and guaranteed. A policy of relaxing domestic controls, use of an equilibrium exchange rate, and the creation of a rational tariff structure which allows free imports of raw materials and of intermediate goods, will go a long way in accelerating India's growth rate.

FINAL RESEARCH PRODUCTS (RESEARCH PAPERS)

1. K.C. Sen, "Convergence in Planned Economies" (June, 1965). Summary in P.R. #2, p.12.
2. T. Morgan, "Theory of Error in Centrally-Directed Economic Systems" (August, 1964). Summary in P.R. #4, p.2.
3. H. Myint, "Economic Theory and the Underdeveloped Countries" (March, 1965). Summary in P.R. #3, p.4.
4. E.D. Hawkins, "Job Inflation in Indonesia" (October, 1965). Summary in P.R. #3, p.7.
5. T. Morgan, "Economic Planning--Points of Success and Failure" (February, 1965). Summary in P.R. #3, p.15.
6. H.O. Schmitt, "The Integration of Capital Markets in Europe: A Step Towards Political Unification" (January, 1966). Summary in P.R. #3, p.11.
7. H. Myint, "The Inward and the Outward Looking of Southeast Asia and the Economic Future of the Region" (February, 1966).

8. K.C. Sen, "Nation-Building and Regional Integration" (May, 1966).
Summary in P.R. #4, pp.9-10.

II. FUTURE ACTIVITIES

A. The Asian Research Project

Much of our attention in recent months has been taken up with starting up a cooperative research effort, enlisting a number of Asian scholars in work related to our over-all interest. Material descriptive of the project is in the 4th Progress Report (pp.10-13). The following people are signed up for the studies indicated during the coming summer and fall months:

Pakistan: Professor Nurul Islam, Director, Pakistan Institute of Development Economics, Karachi.

Subject: "Aspects of Trade and Production in Pakistan". Attention invited to comparison of target rates of economic growth found in the Third Plan, and those in ECAFE and other projections; import substitution experience, true versus nominal protection; feasibility of raising exports in intraregional trade of certain manufactures and agricultural goods.

India: Professor D.T. Lakdawala, Department of Economics, University of Bombay.

Main Focus: Export possibilities of India with respect to the world, and especially, Southeast Asia. We will invite his attention to the sub-topics above.

Malaysia (and possibly Singapore): Dr. Lim Chong-yah, Head, Department of Economics, University of Malaya, Kuala Lumpur.

Main Focus: The present and prospective pattern of Malaysia's trade with other Southeast Asian countries and the world in general: government policies in the trade field; trade prospects in Southeast Asia.

Thailand: Dr. Hiroshi Kitamura, Director of Research and Planning, ECAFE.

Subject: "Regional Harmonization of National Development Plans and Trade Cooperation Schemes".

Dr. Wu, Tah-Yeh, Director of Annual ECAFE Survey.

Subject: "The Scope for Economic Cooperation in Southeast Asia" (a volunteered paper).

Mrs. Suparb Yossundara, Head of Research and Mr. Yune Huntrakoon, Deputy Head of Research, Bank of Thailand.

Subject: "Policies Affecting Trade and Production: The Thai Experience."

Dr. P.S.N. Prasad, Director, Asian Institute for Economic Development and Planning.

Subject: "The Effect of National Import-Substitution and Industrialization Programs on Asian Trade" (a volunteered paper).

Hong Kong: Professor K.R. Chou, Director, Economic Research Center, The Chinese University of Hong Kong.

Subject: "Hong Kong's Changing Pattern of Trade and Economic Interdependence in Southeast Asia".

Philippines: Dean Amado A. Castro, School of Economics, University of the Philippines.

Main Focus: The effect on export patterns of Philippine trade policies; effects of devaluation and liberalization of the structure of trade; underlying real factors; import substitution experience.

Taiwan: Dr. I-Shuan Sun, Secretary-General, Central Bank of China, Taipei.

Subject: "Taiwan's Foreign Trade; Projection, with Special Reference to ECAFE Countries".

In addition to the above, we hope to find someone who can contribute a good paper on Indonesia; and possibly someone for Singapore, though Dr. Lim may be called on to include Singapore in his study.

B. The Bangkok Conference

The above contributors, plus some discussants and auditors, are to make up the conferees for a 2 to 3 day meeting we plan to hold in Bangkok in mid-January, 1967.

C. Research Work in Madison

We plan to continue the research activities in Madison in accord with the projections listed in the "Detailed Work Program" (November 1, 1965). We expect to have lecture and consultation visits from a number of economic development specialists in the summer and fall, continuing the past pattern.

III. SUMMARY FISCAL REPORT

Line Item Number	Category	This Period 12/1/65 - 4/31/66	Previous Period 6/1/ 65-11/30/65	Total to May 31, 1966
1.	Salaries, Wages Stipends, Consulting Fee, Total:	<u>\$28,245.00</u>	<u>\$25,792.62</u>	<u>\$96,907.45</u>
	--Dec.1,'65 to April 30,			
	'66:	23,750.11		
	--May,'66 Estimate:	4,494.89		
2.	Allowances	-- 0 --	-- 0 --	-- 0 --
3.	Travel and Transportation, Total:	<u>\$ 5,171.33</u>	<u>\$ 89.04</u>	<u>\$ 9,378.23</u>
	--Dec.1,'65 - April 30,			
	'66:	3,968.58		
	--May,'66 Estimate:	1,202.75		
4.	Other Direct Costs, Total:	<u>\$ 2,040.86</u>	<u>\$ 1,697.43</u>	<u>\$ 6,803.38</u>
	--Dec.1,'65 - April 30,			
	'66:	1,565.86		
	--May,'66 Estimate:	475.00		
5.	Overhead --Nov.1,'65 - April 30,			
	'66:	<u>\$13,771.62</u>	<u>\$10,725.38</u>	<u>\$40,366.23</u>
6.	Equipment and Materials	-- 0 --	-- 0 --	-- 0 --
7.	Research Services by Non- U.S. Personnel, Total:	<u>\$ 4,888.92</u>	<u>\$ 5,706.14</u>	<u>\$15,936.01</u>
	--Dec.1,'65 - April 30,			
	'66:	4,074.10		
	--May,'66 Estimate:	814.82		
8.	Conference	-- 0 --	-- 0 --	-- 0 --
9.	Participants	-- 0 --	-- 0 --	-- 0 --
	TOTAL ALL LINES	<u>\$54,117.73</u>	<u>\$44,010.61</u>	<u>\$169,391.30</u>
	--Dec.1,'65 - April 30,			
	'66:	47,130.27		
	--May,'66 Estimate:	6,987.46		

IV. CONTRACT STAFF

A. Personnel Employed in this Report Period

	AID Appointments	
	This Period	Future Periods Planned
<u>1. Senior Staff</u>		
a. Theodore Morgan (Professor of Economics) and Campus Coordinator	Dec.'65-May'66 (1/2 time)	June, July, Aug.' 66 (full time) Sept.'66-May'67 (1/2 time)
b. P.T. Ellsworth (Professor of Economics)	Dec.'65-May'66 (1/3 time)	July'66-May'67 (1/3 time)
c. Allen C. Kelley (Assistant Professor of Economics)	Dec.'65-May-66 (1/3 time)	Sept.'66-May'67 (1/2 time)
d. Robert E. Baldwin (Professor of Economics)	None	July-Aug.'66 (1/2 time)
<u>2. Central Staff</u>		
a. Associate Directors	None	None
b. Project Associates		
(1) Seiji Naya (Instructor and Project Associate)	Dec.'65-May'66 (1/2 time)	July'66-May'67 (1/2 time)
(2) Nyle Spoelstra	None	Sept.'66-May'67
c. Campus Research Assistants		
(1) P. Bell	Mid-Jan.-May'66 (1/2 time)	None
(2) M. Schwartz	Dec.'65-Mid-Jan.'66 (1/2 time)	None
(3) J.C. Leith	Dec.'65-May'66 (1/2 time)	July'66-June'67 (1/2 time)
(4) J. McClellan	Mid-Jan.-June'66 (1/2 time)	July'66-June'67 (1/2 time)
(5) K.C. Sen	Dec.'65-June'66 (1/2 time)	July'66-June'67 (1/2 time)
(6) I.J. Singh	Dec.'65-Mid-Jan.'66 (1/2 time)	None
(7) N. Spoelstra	Dec.'65-June'66 (3/4 time)	July-Aug.'66 (3/4 time)
(8) Mrs. Fag El Nour	None	June'66 (1/2 time)

	This Period	Future Periods Planned
(8) Mrs. Fag El Nour (continued)		July '66-June '67 (on Graduate School funds)

d. Project Assistants

(1) P. Shima	Dec. '65-May '66 (1/4 time)	July-Aug. '66 (1/4 time)
(2) S. Sanittonant	Dec. '65-Mid-Jan. '66 (1/4 time)	None
(3) H.L. Lui	Dec. '65-March '66 (1/4 time) April-May '66 (1/2 time)	None

e. Secretaries

(1) Mrs. Liesl Tarkow	Dec. '65-June '66 (1/3 time)	Continuing
(2) Mrs. Betsy Spoelstra	Dec. '65-June '66 (3/4 time)	Continuing

3. and 5. Lecturers and Consultants

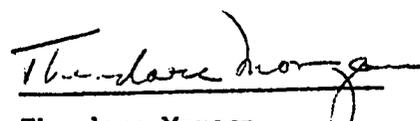
- a. Professor Hla Myint, London School of Economics, University of London, Consultant, November 29, 1965 - December 6, 1965.
- b. Mr. Mort Grossman, Ford Foundation, New Delhi, "Planning and Price Policy with Special Reference to India", January 11, 1966.
- c. Professor George Dalton, Northwestern University, "Growth without Development: The Liberian Case", February 8, 1966.
- d. Mr. Reed Irvine, Board of Governors of the Federal Reserve System, Washington, "Economics, Revolution, and Foreign Aid", February 15, 1966 (Financed by Federal Reserve).
- e. Dr. Stephen Enke, Department of Defense, Washington, "The Economic Aspects of Slowing Population Growth," February 22, 1966 (financed by N.D.E.A. funds).
- f. Mr. Julian H. Singman, Law Firm of Landis, Cohen and Singman, Washington, "Ocean Freight Costs and Economic Growth in the Far East," March 1, 1966 (financed by N.D.E.A. funds).
- g. Professor Lloyd I. Rudolph, University of Chicago, "Political Integration in India", March 9, 1966 (financed by N.D.E.A. funds).
- h. Mr. C.H. Thompson, IBRD, Washington, "Country Economic Studies of the World Bank," March 29, 1966 (financed by the IBRD).
- i. Professor John Power, Williams College, "Import Substitution," April 5, 1966.
- j. Professor Kenneth Boulding, University of Michigan, "Relative Economic

Development and the Stability of the International Power Structure," May 10, 1966 (financed by N.D.E.A. funds).

<u>4. Non-U.S. Personnel</u>	This Period	Future Periods Planned
a. Dr. Kai-Loo Huang (Singapore)	Dec.'65-May'66 (2/3 time)	None

B. Additional Personnel to be Employed in Future Periods

- | | |
|-------------------------------|--|
| 1. Senior Staff: | None at Present |
| 2. Central Staff: | None at Present |
| 3. Lecturers and Consultants: | Professor Benjamin Higgins,
University of Texas.
Professor Gottfried Haberler,
Harvard University.
Professor Bela Balassa, Yale University and IBRD. |
| 4. Non-U.S. Personnel | None at Present |


Theodore Morgan
Director of Research