

**From:** Anne Moorhead [b47F - Public Interest Conditional Exemptions - Personal Privacy]  
**Sent:** Tuesday, April 18, 2023 6:11 PM  
**To:** Stephen Howes <[stephen.howes@anu.edu.au](mailto:stephen.howes@anu.edu.au)>  
**Cc:** Karen Downing <[karen.downing@anu.edu.au](mailto:karen.downing@anu.edu.au)>; Andrew Anton Mako <[Andrew.AntonMako@anu.edu.au](mailto:Andrew.AntonMako@anu.edu.au)>  
**Subject:** Re: Blog

Thanks Stephen - all good (thanks for the explanation, and agreed).

Anne

On Tue, 18 Apr 2023 at 18:01, Stephen Howes <[stephen.howes@anu.edu.au](mailto:stephen.howes@anu.edu.au)> wrote:

Hi Anne

I've accessed the reports so that should be fine. Unfounded bullishness is bullishness (optimism) without foundation or reason, which seems fine to me. No?

Regards

Stephen

**From:** Anne Moorhead [b47F - Public Interest Conditional Exemptions - Personal Privacy]  
**Sent:** Tuesday, April 18, 2023 5:17 PM  
**To:** Stephen Howes <[stephen.howes@anu.edu.au](mailto:stephen.howes@anu.edu.au)>  
**Cc:** Karen Downing <[karen.downing@anu.edu.au](mailto:karen.downing@anu.edu.au)>; Andrew Anton Mako <[Andrew.AntonMako@anu.edu.au](mailto:Andrew.AntonMako@anu.edu.au)>  
**Subject:** Re: Blog

Hi Stephen,

Yes, this (UK) morning they don't work for me either. I have therefore made the text amendments - please check them in Wordpress.

I tried to register to check that all the reports were indeed accessible through the ANZ portal, but I needed an ANZ rep name, so I abandoned that. I think ideally someone should check that the reports are there - can you do that?

One more small thing - the phrase 'unfounded bullishness': I'm not sure this is what you mean, as it's not the bullishness that's unfounded, though it's based on unfounded ideas (I think that's what you mean). So it may need some editing.

All best

Anne

On Tue, 18 Apr 2023 at 11:43, Stephen Howes <[stephen.howes@anu.edu.au](mailto:stephen.howes@anu.edu.au)> wrote:

Hi Anne,

When I try in preview none of these links work. If the links work use them; otherwise your ref to the ANZ research portal looks fine. Could you do these edits in the blog and I can check.

Thanks

Stephen

**From:** Anne Moorhead s47f - Public Interest Conditional Exemptions - Personal Privacy  
**Sent:** Tuesday, 18 April 2023 1:07 AM  
**To:** Stephen Howes <[stephen.howes@anu.edu.au](mailto:stephen.howes@anu.edu.au)>  
**Cc:** Karen Downing <[karen.downing@anu.edu.au](mailto:karen.downing@anu.edu.au)>; Andrew Anton Mako <[andrew.antonmako@anu.edu.au](mailto:andrew.antonmako@anu.edu.au)>  
**Subject:** Re: Blog

Hi Stephen,

Thanks for this. Those two links do work when inserted into the blog - however, it does seem like ANZ didn't intend them to be public. And I also can't find the one from 2019.

I'm wondering if we should drop the links, and put something like you suggested - maybe:

In 2019, in a report that can be accessed through [ANZ's Research Portal](#) (after registration), ANZ doubled down on its optimism, saying that that year would “mark a turning point for PNG’s economy”. The period of “soft growth” was now over. The economy would “rebound in 2019 and power into the 2020s”, as it rode the super cycle.

COVID-19 subdued ANZ’s enthusiasm, but, by last year, the bank was back at it. In April May 2022, in a report titled *Papua New Guinea: Green shoots* (also accessible through the [ANZ Research Portal](#)), it said that the economy would rebound in 2023, with “strong growth continuing to early next decade” and that “2028-2032 [is] expected to deliver the highest GDP lift in PNG’s history”. In November, in a further report subtitled *Levelling up* (same portal), it projected “long and strong” growth, and a “phenomenal” boom, a “major business-investment boom cycle to come”, with “a sustained demand-driven surge in wages growth”, this time from 2024.

I am assuming they are all accessible through the ANZ Research Portal, but haven't registered to check.

We can also leave the two links in if you think it's ok - please just let me know.

Many thanks

Anne

On Mon, 17 Apr 2023 at 11:47, Stephen Howes <[stephen.howes@anu.edu.au](mailto:stephen.howes@anu.edu.au)> wrote:

Hi Anne,

Thanks for this. I’ve got a feeling that the links are somehow restricted. This is the November 2022 link

[https://d321bl9io865gk.cloudfront.net/view?src=https%3A%2F%2Fanz-singletrack.s3.ap-southeast-2.amazonaws.com%2FPapua New Guinea levelling up.pdf%3FX-Amz-Algorithm%3DAWS4-HMAC-SHA256%26X-Amz-Credential%3DAKIAZGZPZQPX2SV22UN%2F20230417%2Fap-southeast-2%2Fs3%2Faws4\\_request%26X-Amz-Date%3D20230417T000000Z%26X-Amz-Expires%3D86400%26X-Amz-Signature%3D72bfe85f4d99655f375574fe1f42d7826ed018170255cd97ba60dc64fab97a08%26X-Amz-SignedHeaders%3Dhost&data=fGBV8t3svqTqPuG7e%2BVI6XKLmiMg4Bv3bc2ukgxRTRUvVlup4zZPYW3FxlUeMeBocZoHM1zo5LWQa8L8XUiL38Gx8hOwWsl42ICSAhguXcO2CPP0bGBA9hORm7VEPnEJ&referrer=https%3A%2F%2Fpublications.anz.com%2F&namespaced=true&aid=a0N4a000006Ehr3EAG&perms=copy-paste;download;print;related-research&perms\\_sign=btuAP6L%2FX7RqE1Clg5EOOZ0wSJco4yDcmtjriwJLdoH1008MXUVY1OSFJRdGDD8Myb2wNdWGyeeN34mvnS3rmqjJoHhMWMQrJcW3V03M4Z9fzSBwjgqUopv8AFMI%2FOtzcTIWWRacMTx0hzPfeHqe1aRYxF3NT2kpAVk6KkDPvkc%3D&timestamp=1681695526&rating\\_opts={%22ratingValue%22:%220%22,%22ratingType%22:%22star%22}](https://d321bl9io865gk.cloudfront.net/view?src=https%3A%2F%2Fanz-singletrack.s3.ap-southeast-2.amazonaws.com%2FPapua%20New%20Guinea%20levelling%20up.pdf%3FX-Amz-Algorithm%3DAWS4-HMAC-SHA256%26X-Amz-Credential%3DAKIAZGZPZQPX2SV22UN%2F20230417%2Fap-southeast-2%2Fs3%2Faws4_request%26X-Amz-Date%3D20230417T000000Z%26X-Amz-Expires%3D86400%26X-Amz-Signature%3D72bfe85f4d99655f375574fe1f42d7826ed018170255cd97ba60dc64fab97a08%26X-Amz-SignedHeaders%3Dhost&data=fGBV8t3svqTqPuG7e%2BVI6XKLmiMg4Bv3bc2ukgxRTRUvVlup4zZPYW3FxlUeMeBocZoHM1zo5LWQa8L8XUiL38Gx8hOwWsl42ICSAhguXcO2CPP0bGBA9hORm7VEPnEJ&referrer=https%3A%2F%2Fpublications.anz.com%2F&namespaced=true&aid=a0N4a000006Ehr3EAG&perms=copy-paste;download;print;related-research&perms_sign=btuAP6L%2FX7RqE1Clg5EOOZ0wSJco4yDcmtjriwJLdoH1008MXUVY1OSFJRdGDD8Myb2wNdWGyeeN34mvnS3rmqjJoHhMWMQrJcW3V03M4Z9fzSBwjgqUopv8AFMI%2FOtzcTIWWRacMTx0hzPfeHqe1aRYxF3NT2kpAVk6KkDPvkc%3D&timestamp=1681695526&rating_opts={%22ratingValue%22:%220%22,%22ratingType%22:%22star%22})

This is the April one

[https://d321bl9io865gk.cloudfront.net/view?src=https%3A%2F%2Fanz-singletrack.s3.ap-southeast-2.amazonaws.com%2FPacific Economic Outlook PNG s green shoots.pdf%3FX-Amz-Algorithm%3DAWS4-HMAC-SHA256%26X-Amz-Credential%3DAKIAZGZPZQPX2SV22UN%2F20230417%2Fap-southeast-2%2Fs3%2Faws4\\_request%26X-Amz-Date%3D20230417T000000Z%26X-Amz-Expires%3D86400%26X-Amz-Signature%3D1d780af2f75cf753d9fba81953f1214b7253c36a99d3def3c8a9fa834a77143d%26X-Amz-SignedHeaders%3Dhost&data=K0unT7cNpc3ONj44dTCH9ET01BxOPbZw%2FRsbj2%2BIOwnKkfd2QW37xnXv0zzPvRB1gOC0mNGA0MoPimY1Lfn6gweMvJEn9DKJsBB%2BESL9NeCEqWUMXtaCmSnlvjllQ%2B&referrer=https%3A%2F%2Fpublications.anz.com%2F&namespaced=true&aid=a0N4a000004tEDIEA2&perms=copy-paste;download;print;related-research&perms\\_sign=hWPpkCTLxKHtDKTnQ93aKDMh1Cximq6sVhvyqy6uqXuQrhLhHXH2bVakEXcShodAeTI8fop8tle8xJIAXNdTdr3BYuYx5hEbxZRIt8M721Kq8rB0qzaXORDHdPTFIQj48pPQ7iJn%2Bi6oueNDUT%2B7vr8bR228Co02lydUuFXBXvnA%3D&timestamp=1681695641&rating\\_opts={%22ratingValue%22:%220%22,%22ratingType%22:%22star%22}](https://d321bl9io865gk.cloudfront.net/view?src=https%3A%2F%2Fanz-singletrack.s3.ap-southeast-2.amazonaws.com%2FPacific Economic Outlook PNG s green shoots.pdf%3FX-Amz-Algorithm%3DAWS4-HMAC-SHA256%26X-Amz-Credential%3DAKIAZGZPZQPX2SV22UN%2F20230417%2Fap-southeast-2%2Fs3%2Faws4_request%26X-Amz-Date%3D20230417T000000Z%26X-Amz-Expires%3D86400%26X-Amz-Signature%3D1d780af2f75cf753d9fba81953f1214b7253c36a99d3def3c8a9fa834a77143d%26X-Amz-SignedHeaders%3Dhost&data=K0unT7cNpc3ONj44dTCH9ET01BxOPbZw%2FRsbj2%2BIOwnKkfd2QW37xnXv0zzPvRB1gOC0mNGA0MoPimY1Lfn6gweMvJEn9DKJsBB%2BESL9NeCEqWUMXtaCmSnlvjllQ%2B&referrer=https%3A%2F%2Fpublications.anz.com%2F&namespaced=true&aid=a0N4a000004tEDIEA2&perms=copy-paste;download;print;related-research&perms_sign=hWPpkCTLxKHtDKTnQ93aKDMh1Cximq6sVhvyqy6uqXuQrhLhHXH2bVakEXcShodAeTI8fop8tle8xJIAXNdTdr3BYuYx5hEbxZRIt8M721Kq8rB0qzaXORDHdPTFIQj48pPQ7iJn%2Bi6oueNDUT%2B7vr8bR228Co02lydUuFXBXvnA%3D&timestamp=1681695641&rating_opts={%22ratingValue%22:%220%22,%22ratingType%22:%22star%22})

I could find the 2019 one but I think that is even more hidden. The two links come from my email (as I'm on an ANZ subscription link). If the above two links don't work maybe drop them, and add ("Access to the full reports requires registration.") When I searched for one of the reports on google (the May 2022 one is called "Papua New Guinea: green shoots") I couldn't get the actual article. Could you try.

For your other query could you put 'long-term' before 'future' and 'with' after 'lie' in 'the country's future **does not lie**'

Thanks

Stephen

**From:** Anne Moorhead s27f - Public Interest Conditional Exemptions - Personal Privacy  
**Sent:** Saturday, 15 April 2023 12:32 AM  
**To:** Stephen Howes <[stephen.howes@anu.edu.au](mailto:stephen.howes@anu.edu.au)>; Andrew Anton Mako <[andrew.antonmako@anu.edu.au](mailto:andrew.antonmako@anu.edu.au)>  
**Cc:** Karen Downing <[karen.downing@anu.edu.au](mailto:karen.downing@anu.edu.au)>  
**Subject:** Re: Blog

Hi Stephen and Andrew,

Thanks for this blog. Just a couple of queries.

Three of the links, in paras 3 and 4, don't seem to work - In 2019, ANZ [doubled down](#) on its optimism... In [April 2022](#), it said that... In [November](#), it projected...

Second to last para: "Even though PNG's resources sector will play a prominent role in PNG's socioeconomic development for the foreseeable future, the country's future **does not lie** and should not be tied to the resources sector."

Should this be "does not lie with"? Or should we just delete "does not lie and"?

Many thanks for your clarification on these points.

Anne

On Fri, 14 Apr 2023 at 11:05, Stephen Howes <[stephen.howes@anu.edu.au](mailto:stephen.howes@anu.edu.au)> wrote:

Hi Karen

Here is a new blog from Andrew and me. I have added it to Monday.com as well.

Regards

Stephen

**From:** Stephen Howes  
**Sent:** Monday, April 17, 2023 5:04 PM  
**To:** ANZ Research <research@anz.com>  
**Cc:** [REDACTED]@anz.com; Andrew Anton Mako <Andrew.AntonMako@anu.edu.au>; [REDACTED]@anz.com  
**Subject:** RE: Blog on ANZ forecasts for PNG

Yes, this is for our Devpolicy Blog and it will be later this week, currently scheduled for Thursday.

**From:** ANZ Research <research@anz.com>  
**Sent:** Monday, 17 April 2023 3:34 PM  
**To:** Stephen Howes <stephen.howes@anu.edu.au>  
**Cc:** [REDACTED]@anz.com; Andrew Anton Mako <Andrew.AntonMako@anu.edu.au>; [REDACTED]@anz.com; ANZ Research <research@anz.com>  
**Subject:** RE: Blog on ANZ forecasts for PNG

Hi Stephen,

Could you please let us know when do you intend to publish the article?

Regards,  
ANZ Research

**From:** Stephen Howes <stephen.howes@anu.edu.au>  
**Sent:** Monday, April 17, 2023 7:01 AM  
**To:** ANZ Research <research@anz.com>  
**Cc:** [REDACTED]@anz.com; Andrew Anton Mako <Andrew.AntonMako@anu.edu.au>  
**Subject:** Blog on ANZ forecasts for PNG

Hi [REDACTED]

My colleague Andrew and I have prepared a blog looking back at ANZ's forecasts of the PNG economy. It is quite critical, and we wanted to give you a heads-up. You would be welcome to write a response.

Regards

Stephen

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**From:** Rohan Fox [REDACTED]  
**Sent:** Friday, April 14, 2023 5:50 PM  
**To:** Stephen Howes <stephen.howes@anu.edu.au>

[REDACTED]  
[REDACTED] Toan Nguyen  
<Truong.Nguyen@anu.edu.au>; Alyssa Leng <Alyssa.Leng@anu.edu.au>; Martin Davies  
[REDACTED] Andrew Anton Mako <Andrew.AntonMako@anu.edu.au>

**Subject:** Re: Blog from Andrew and myself on ANZ forecasts

Thanks Stephen and Andrew,

I think this will be an influential blog and hopefully will ruffle the right feathers.

Also nothing from me.

Rohan

On Fri, 14 Apr 2023, 9:06 am Stephen Howes, <[stephen.howes@anu.edu.au](mailto:stephen.howes@anu.edu.au)> wrote:

Hi all,

Here is a blog from myself and Andrew on ANZ's poor economic forecasting record.

Comments welcome.

Best wishes

Stephen

From: Maho Laveil

s22 - Access to edited copies with exempt or irrelevant matter deleted

Sent: Friday, April 14, 2023 5:39 PM

To: Stephen Howes <[stephen.howes@anu.edu.au](mailto:stephen.howes@anu.edu.au)>

**s22 - Access to edited copies with exempt or irrelevant matter deleted**

s47F - Public Interest Conditional Exemptions - Personal Privacy Toan Nguyen <[Truong.Nguyen@anu.edu.au](mailto:Truong.Nguyen@anu.edu.au)>; Alyssa Leng <[Alyssa.Leng@anu.edu.au](mailto:Alyssa.Leng@anu.edu.au)>; Rohan Fox

s47F - Public Interest Conditional Exemptions - Personal Privacy Martin Davies

s47F - Public Interest Conditional Exemptions - Personal Privacy Andrew Anton Mako <[Andrew.AntonMako@anu.edu.au](mailto:Andrew.AntonMako@anu.edu.au)>

Subject: Re: Blog from Andrew and myself on ANZ forecasts

Hi Stephen,

This is a good blog, incredible how bullish ANZ has been.

No comments from me.

Kind regards

Maho

On Fri, 14 Apr 2023, 11:06 am Stephen Howes, <[stephen.howes@anu.edu.au](mailto:stephen.howes@anu.edu.au)> wrote:

Hi all,

Here is a blog from myself and Andrew on ANZ's poor economic forecasting record.

Comments welcome.

Best wishes

Stephen

**From:** Andrew Anton Mako <Andrew.AntonMako@anu.edu.au>  
**Sent:** Tuesday, April 11, 2023 2:46 PM  
**To:** Stephen Howes <stephen.howes@anu.edu.au>  
**Subject:** Re: ANZ blog

Hi Stephen,

s22 - Access to edited copies with exempt or irrelevant matter deleted

The article looks good - I have made minor changes highlighted in the attached.

Regards,  
Andy

**Andrew Anton Mako**

Visiting Lecturer & Project Coordinator of ANU-UPNG Partnership

[Development Policy Centre](#)

Crawford School of Public Policy

The Australian National University

Mob: 

[Australian Aid Tracker](#) | [Devpolicy Blog](#) | [Femili PNG](#) | [Aid Profiles](#)

[@devpolicy](#) | [Facebook](#) | [Newsletter](#) | [Mitchell Humanitarian Award](#)

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**From:** Stephen Howes <[stephen.howes@anu.edu.au](mailto:stephen.howes@anu.edu.au)>  
**Sent:** Tuesday, April 11, 2023 1:40 PM  
**To:** Andrew Anton Mako <[Andrew.AntonMako@anu.edu.au](mailto:Andrew.AntonMako@anu.edu.au)>  
**Subject:** RE: ANZ blog

Hi Andy,

s22 - Access to edited copies with exempt or irrelevant matter deleted

Here is revised blog. I've kept your three paras but edited them. See what you think.

Best

Stephen

**From:** Andrew Anton Mako <[Andrew.AntonMako@anu.edu.au](mailto:Andrew.AntonMako@anu.edu.au)>  
**Sent:** Monday, April 3, 2023 11:55 AM  
**To:** Stephen Howes <[stephen.howes@anu.edu.au](mailto:stephen.howes@anu.edu.au)>  
**Subject:** Re: ANZ blog

Hi Stephen,

Thanks for the draft blog on ANZ. Find attached some comments - see if they are ok to be included.

s22 - Access to edited copies with exempt or irrelevant matter deleted

Regards,  
Andrew

**Andrew Anton Mako**

Visiting Lecturer & Project Coordinator of ANU-UPNG Partnership

[Development Policy Centre](#)

Crawford School of Public Policy

The Australian National University

Mob: Public Interest Conditional Exem

[Australian Aid Tracker](#) | [Devpolicy Blog](#) | [Femili PNG](#) | [Aid Profiles](#)

[@devpolicy](#) | [Facebook](#) | [Newsletter](#) | [Mitchell Humanitarian Award](#)

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**From:** Stephen Howes <[stephen.howes@anu.edu.au](mailto:stephen.howes@anu.edu.au)>

**Sent:** Wednesday, March 29, 2023 11:54 AM

**To:** Andrew Anton Mako <[Andrew.AntonMako@anu.edu.au](mailto:Andrew.AntonMako@anu.edu.au)>

**Subject:** ANZ blog

Hi Andy,

I've reworked the ANZ blog. See what you think. We could co-author this one.

s22 - Access to edited copies with exempt or irrelevant matter deleted

Best

Stephen

s22 - Access to edited copies with exempt or irrelevant matter deleted

s22 - Access to edited copies with exempt or irrelevant matter deleted

**From:** Andrew Anton Mako <Andrew.AntonMako@anu.edu.au>

**Sent:** Tuesday, March 14, 2023 8:37 PM

**To:** Stephen Howes <stephen.howes@anu.edu.au>

**Subject:** Re: Papua New Guinea: levelling up

Hi Stephen,

Sorry for the long delay in putting together this blog.

I finally have a draft for your review (attached). I have used the quote on ANZ in your last email.

Regards,

Andy

**Andrew Anton Mako**

Visiting Lecturer & Project Coordinator of ANU-UPNG Partnership

[Development Policy Centre](#)

Crawford School of Public Policy

The Australian National University

Mob: [Public Interest Conditional Exp](#)

[Australian Aid Tracker](#) | [Devpolicy Blog](#) | [Femili PNG](#) | [Aid Profiles](#)

[@devpolicy](#) | [Facebook](#) | [Newsletter](#) | [Mitchell Humanitarian Award](#)



In 2013, ANZ produced a [big report on PNG's economic future](#) in which it expounded on "its considerable optimism about the country's future". The report outlined three scenarios for the resources sector: low, central and high. The central scenario had PNG resource exports in 2020 at \$US 18.7 billion. In fact, in 2020, resource exports were \$7.4 billion, almost one third of the central case and firmly in the low case scenario.

ANZ went quiet for a while perhaps because it was deciding its own future in PNG: eventually it decided to stay, but to pull out of the retail market and only to service corporate clients. But in 2018 it was [back](#) in optimistic mode, saying that PNG was "on the cusp of another resource boom", and not just an ordinary boom, but a "'super cycle' in resources investment, particularly in gas, gold and copper projects."

In 2019, ANZ [doubled down](#) on its optimism, saying that that year would "mark a turning point for PNG's economy". The period of "soft growth" was now over. The economy would "rebound in 2019 and power into the 2020s", as it rode the super cycle.

COVID subdued ANZ's stubborn optimism, but by last year, the bank was back at it. In [April 2022](#), it said that the economy would rebound in 2023, with "strong growth continuing to early next decade" and that "2028-2032 [is] expected to deliver the highest GDP lift in PNG's history". In [November](#), it projected "long and strong" growth, and a "phenomenal" boom, a "major business-investment boom cycle to come", with "a sustained demand-drive surge in wages growth" from 2024.

What strikes one about this persistent bullishness is the lack of any self-reflection. There is no mention let alone any analysis of what went wrong with the 2013 projections, and why resource exports haven't come anywhere near ANZ's central case. There is no appreciation of why it is so and increasingly difficult to get resource projects off the ground in PNG. Resolving landowner and environmental issues is getting more not less difficult, and the sentiment that PNG is not getting a fair deal from its resource projects only adds to delay. Even highly unlikely projects like Solwara (now bankrupt) and Frieda (highly controversial) have been included in the bank's positive write-ups of the country's resource-rich future.

As a resource-dependent boom-bust economy, PNG will eventually move from its current bust to the next boom, so eventually ANZ will be proved right. However, its credibility is already damaged. PNG's bust has been underway for almost a decade now. A forecaster who keeps predicting better weather ahead will be right some of the time, but will not be believed.

It is not only its own credibility that ANZ is damaging. Its unfounded bullishness is also bad for the PNG economy. It sends the signal to policy makers that their biggest challenge is not to change current policy settings but to accelerate the next round of resource projects. Why worry with ending exchange rate rationing if not only better but much better days are just around the corner? On the other hand, if, as is much more likely, resource projects are in fact going to be few and far between, then the case for making difficult decisions to promote the non-resource sector is that much stronger.

In 2013, then Treasurer Don Polye was defending the large deficit the government was then running – at a time when it should have been saving funds at the top of the boom. There was

no need to be worried, Polye told his audience, at a [budget forum](#) that the ANU helped organise: “Many learned people ... have given us projections that I find very encouraging. We recently had a visit to PNG by the CEO of the ANZ bank, Mike Smith, ... and he said that PNG could be the Tiger of the Pacific.”

The next year PNG’s boom ended, and it has been stuck in a bust since.

ANZ would enhance its own credibility, and play a more useful role as a commentator, if it toned down its rosy projections, and gave greater emphasis to growth-enhancing policy reforms and less to new resource projects.



In 2013, ANZ produced a [big report on PNG's economic future](#) in which it expounded on "its considerable optimism about the country's future". The report outlined three scenarios for the resources sector: low, central and high. The central scenario had PNG resource exports in 2020 at \$US 18.7 billion. In fact, in 2020, resource exports were \$7.4 billion, almost one third of the central case and firmly in the low case scenario.

ANZ went quiet for a while perhaps because it was deciding its own future in PNG: eventually it decided to stay, but to pull out of the retail market and only to service corporate clients. But in 2018 it was [back](#) in optimistic mode, saying that PNG was "on the cusp of another resource boom", and not just an ordinary boom, but a "'super cycle' in resources investment, particularly in gas, gold and copper projects."

In 2019, ANZ [doubled down](#) on its optimism, saying that that year would "mark a turning point for PNG's economy". The period of "soft growth" was now over. The economy would "rebound in 2019 and power into the 2020s", as it rode the super cycle.

COVID subdued ANZ's stubborn optimism, but by last year, the bank was back at it. In [April 2022](#), it said that the economy would rebound in 2023, with "strong growth continuing to early next decade" and that "2028-2032 [is] expected to deliver the highest GDP lift in PNG's history". In [November](#), it projected "long and strong" growth, and a "phenomenal" boom, a "major business-investment boom cycle to come", with "a sustained demand-drive surge in wages growth" from 2024.

What strikes one about this persistent bullishness is the lack of any self-reflection. There is no mention let alone any analysis of what went wrong with the 2013 projections, and why resource exports haven't come anywhere near ANZ's central case. There is no appreciation of why it is so and increasingly difficult to get resource projects off the ground in PNG. Resolving landowner and environmental issues is getting more not less difficult, and the sentiment that PNG is not getting a fair deal from its resource projects only adds to delay. Even highly unlikely projects like Solwara (now bankrupt) and Frieda (highly controversial) have been included in the bank's positive write-ups of the country's resource-rich future.

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It is not only its own credibility that ANZ is damaging. Its unfounded bullishness is also bad for the PNG economy. It sends the signal to policy makers that their biggest challenge is not to change current policy settings but to accelerate the next round of resource projects. Why worry with ending exchange rate rationing if not only better but much better days are just around the corner? On the other hand, if, as is much more likely, resource projects are in fact going to be few and far between, then the case for making difficult decisions to promote the non-resource sector is that much stronger.

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Such messages perpetuate the illusion that only the resources sector holds the key to achieve sustained and high economic growth and improvement in the lives of the people of PNG. It not only sends a wrong signal to the rural population who may then neglect agriculture activities such as coffee and cash-crop farming and other sustainable livelihood ventures, the government and its policymakers may also offer lip-service to structural policy and institutional reforms, as they await the cash bonanza.

Such warning was mentioned in 2014 when PNG government was promising the country that the PNG LNG project would bring in huge financial and economic benefits to the country. After a decade of operation and hundreds of shipments of LNG to overseas markets, the PNG LNG project has so far contributed less to the economy as much of the benefits have gone offshore.

Even though PNG’s resources sector will still play a prominent role in PNG’s socio-economic development for the foreseeable future, the country’s future does not lie and not be tied to this resources sector. When the country’s mineral resources are exhausted, PNG will fall back on the non-resources sector, its human capital, and its institutions, for socio-economic growth and development. They need more attention.

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