THE END OF THE AGE OF GROWTH

TED WHEELWRIGHT

> The slump from which we are told the U.S. economy is now recovering has been an extremely important event...It brought to an end the epoch in which continuous steady growth in the industrial economies was generally taken for granted...capitalism without a serious slump for twenty-five years was something new in history...the governments of all the capitalist nations are stuck in immobility, dithering between the fear of inflation and the fear of unemployment...the age of growth...is now in danger of bringing itself to an end. (Joan Robinson, 'The Age of Growth', May 1976)

> In the last century capitalists were certain of the success of capitalism, socialists of socialism, imperialists of colonialism, and the ruling classes knew they were meant to rule. Little of this certainty now survives. Given the dismaying complexity of the problems mankind now faces, it would surely be odd if it did. (John Kenneth Galbraith, The Age of Uncertainty [B.B.C. and Andre Deutsch], London, 1977)

In this paper I want to fly a number of kites. The first kite is that we are at some kind of watershed in history when a quite exceptional phase in capitalist development, which may be called the Age of Growth, is behind us, and we do now know what to expect of the future, hence the borrowing of the phrase 'the Age of Uncertainty' from Galbraith and its use for a slightly different purpose.

The second kite is that the 'internationalisation of capitalism', which has been a prime mover in the Age of Growth has not brought the expected benefits, especially to many of the weaker, poorer, and less developed economic units in the world economy, and has even had a debilitating effect on some of the main capital exporters.

The third kite is that if Australia continues to be locked into international capitalism, it will begin to experience similar problems to those affecting both the less developed, and the well (or over?) developed countries, as it exhibits, in a contradictory fashion, characteristics of both. In particular job opportunities and the real income of those with the least market power will be at risk; this means especially the young, migrants, and women. Problems relating to the disintegration of the nation-state will occur. Symptoms of both are already with us.

The final kite is that just as many of the less developed countries have realised the problems that another two decades of such 'growth' would cause for them, and hence are demanding a New International Economic Order which would allow more autonomy, more self-sufficiency, and selective participation in the international economy, so Australia should re-assess its economic policies, and direct them more in that direction.

I have found the wind blowing hard enough from several directions to support the first kite. What got it airborne for me was the masterly series of articles by Geoffrey Barraclough, in the New York Review of Books. The first of these was published on 27 June 1974, three years ago now, and was a most courageous effort; entitled 'The End of an Era', it argued that we stood at the end of a fifty-year period, the end of the age of neo-capitalism; if the capitalist system were to survive, it would have to be manipulated by other methods, and the situation would get worse before it got better. Keynesian economies only worked because it was operating in an era of post-war growth. Three years on, the article stands up extremely well.

Others, such as Kindleberger[1] and Crotty and Rapping[2] argued that 'for the world economy to be stabilised, there has to be a stabiliser'; before 1931 this was the U.K.; after 1945 it was the U.S.A., now there is none. In short, that the world capitalist system functions best when there is one dominant country to police it. The post-war dominance of the U.S.A. ceased in the late sixties, and this was signalled by Nixon's abrogation of Bretton Woods in August 1971. Joan Robinson's views were formulated in a lecture in Canada in early 1976, entitled 'The Age of Growth' (privately communicated), from which the quotations at the beginning of this paper are taken. She cites Kalecki's view that 'full employment capitalism' will have to develop 'new social and political institutions which will reflect the increased power of the working class'. She concludes that 'precisely because such changes in social and political institutions did not occur that the age of growth has been so uneasy, and is now in danger of bringing itself to an end'.

Several writers suggest the applicability of the long-cycle theories such as those of Kondratieff, according to whom the years around 1970 would mark the beginning of a 25-year decline. This is to be found, for example, in Barraclough's article; in Ernest Mandel's work[3]; in Raymond Franklin's book[4] where he also draws on Schumpeter's theory of innovations, and argues that we may have arrived at the end of an elaborate investment boom launched in the late 1930's. This was concentrated in automobiles, aircraft, petroleum, plastic, synthetic fibres, electronic-communication industries, and suburban housing, highways, and airports. Rosenberg[5] is also working on the Kondratieff cycle beginning its downturn around 1970, and argues that this is due to the tendency of the rate of profit to decline; in its turn this is due to the 'natural' tendency of prices to fall following a period of sustained technical improvements. But, until recently inflation has hidden this; now capital erosion has become so strong that 'inflation accounting' is being called into existence to try to counteract it.

Along with this stress on long cycles, I also find emphasis on credit cycles and their effect on inflation. Joan Robinson, for instance, cites Professor Minsky's work in this field, and relates it to Kalecki's theory of political cycles, such that the expansion and collapse of credit is an amplifier of the politico-economic cycle. Minsky also emphasises the liquidity problem — each time there is a crisis there is a substantial residue of debt left, so that a robust state of liquidity is never restored. Galbraith drew attention to this problem in the first edition of The Affluent Society (New York, 1958), in his chapter entitled 'The Debt Collector Cometh'; Magdoff and Sweezy have emphasised it in various editions of Monthly Review[6] and referred to Thorstein Veblen's original contributions on the importance of the new institutional devices for 'credit pushing'. Rosenberg is working on Wilhelm Roepke's theory of primary and secondary depressions; the primary one being caused by over-investment, the secondary by the amplification thereof by the financial system, and the latter's subsequent breakdown. And those who have read Marx refer to Volume 3 of Capital, where he said: 'The credit system appears as the main lever of overproduction and overspeculation in commerce solely because the process of reproduction...is here forced to its extreme limits...for the reason that a large part of the social capital is employed by people who do not own it...'

Certainly in Australia, insufficient attention has been paid to the tremendous growth in non-bank financial institutions and their modus operandi; this new finance sector has been growing at a much faster rate than the traditional banking sector, and half of it is now under foreign control.[7] The central question about the money supply is rarely concretely formulated: 'Who supplies the money to whom for what purpose, for how long and under what conditions?' This question is even more important in the international economy, in view of the absence of a supra-national bank, the presence of the U.S. payments deficits, the Euro-dollar market, and the transnationals, especially the global banks.[8]

However, the main point of most of this theorising is that capitalism gets itself out of its contradictions temporarily by financial manipulations; if the contradictions are too great, the manipulations cause serious inflation whose effects may be worse than the original contradictions. Keynesian efforts are, of course, financial manipulations. To use a medical analogy, these are seen as a drug whose side effects may end up being worse than the disease.

On the Age of Uncertainty, or what happens next, the three most persistent themes seem to be a retreat from 'internationalism' into trade blocs and protectionism; lower or even negative rates of growth involving more acute struggles for shares of the cake and the resources that go into the cake; and the likelihood of the development of more authoritarian regimes — usually of the right. Barraclough forecast the retreat into protectionism in his 1974 article, in which he quoted Arthur Burns speaking in 1972 of 'a world economy divided into restrictive and inward-looking blocs'. Barraclough told us in his 7 August 1975 article, that since the depression began, the world has become less inter-dependent, that the prospects for more 'internationalism' are bleak, and will be bleaker still 'by 1978, when the economic crisis really begins to bite'. Current reports from Europe and America suggest he is more right than wrong.[9] Rowen of the Washington Post writes: 'National self-interest is becoming the main determinant of economic policy in leading countries, despite the rhetoric of the recent economic summit in London about interdependence of the industrial world'. British trade secretary Edmund Dell confessed that 'there is a reversion to mercantilism — the expression of the ordinary human feeling that one's nation must come first'.

On the 'lower growth rate involving more conflict' and the likely development of authoritarian systems there are many contributions. Robert W. Cox writes: 'The new low-growth schema sees social classes as well as nations in an ongoing confrontation...aptly described as "the struggle for the world product". The form of the struggle is political, though its object is economic. Power and bargaining strength now consciously replace the classical concept of the market as the way in which distribution is determined.'[10] Barraclough writes of 'The World Economic Struggle'[11]; Michael Harrington writes of The Twilight of Capitalism, and Robert Heilbroner of The Decline of Business Civilisation. Raymond Franklin informs us that the upward swings in the economy are conducive to 'economistic' struggles, in which growth means more general social mobility, with people being more likely to accept the social order and to aspire to climb within it, rather than think about changing it. In short, 'actual or anticipated upward mobility takes the edge off broader class struggles'. In the downward phase of the long cycle, class conflict shifts from 'economistic' forms to 'structuralistic' ones, in which the very structure of society is challenged, not accepted, as in the upward phase, and the focus shifts to the political phase, especially when downward social mobility occurs. There is a squeeze on the scared middle classes, and an attack on the working class, which is likely to be effective if it is ideologically crippled and divided on racial lines, as it is in the U.S.A. The next decade of class conflict will be about whether 'we have a more integrated kind of state capitalist planning from above without fundamental redistribution of income and wealth? Or shall we move toward a democratic planning arrangement and an egalitarian division of the pie?... The issue will be: Who will dominate the state and determine its expenditures? The drama will be enacted,...not in the marketplace, but in the political arena.'[12]

The second kite is that the internationalisation of capitalism, the creation of the global market, has not brought the expected benefits, especially to weaker economic units, and is now even weakening stronger economies. An early warning of the lack of growth and development was given in Dudley Seers' now classic article The Limitations of the Special Case, published in 1963.[13] This noted that although impatience with poverty had grown, development had either slowed down in the poorer economies, or been accompanied by severe tensions, such as payments deficits and inflation. In some, such as Argentina and Chile, the political position was seen as critical. Seers deplored the fact that conventional economics did not have much advice to offer such countries, largely because the subject was built in and for developed industrial economies. He called for the reconstruction of economics on a much more general basis, far wider than this special case.

Seers returned to the attack in 1969, in another much quoted paper, The Meaning of Development[14], in which he was able to cite data which showed that despite some growth as measured by national income statictics, in many countries inequality had not decreased, unemployment had increased, and the bottom 40-50% of the population were not any better off — in some cases they were worse off. This situation was being confirmed by World Bank Reports, and, quite definitively by Irma Adelman and Cynthia Morris in their Economic Growth and Social Equity in Developing Countries, in 1973.[15] Even the President of Brazil was said to have remarked that: 'The economy is doing fine, but the people are not'. There could be no greater demonstration that the economic system was creating poverty at the same time as it was creating wealth, and that it was polarising society, both within and between nations. Those of us who had lived and worked in underdeveloped countries did not really need the statistics (although they helped); we could see the polarisation, and the military-fascist 'solutions' around the world, ably assisted by the U.S.A. and her acolytes, in such places as Guatemala, the Dominican Republic, Brazil, Indonesia, Greece, Argentina, Malaysia, Pakistan, the Philippines, Chile, and (the latest) Thailand. Most of these occurred in the sixties, ironically designated by the U.N. as the Development Decade; no wonder that Seers said he never wanted to see another development decade like that.

Stephen Hymer, in his submission to the United Nations enquiry into multinationals[16], went back to Keynes, and the decisions of the early 1940's to stress that the decision to restore the international market on the basis of the multilateral free exchange of goods and free flow of capital was a decision taken by and enforced by governments, especially that of the U.S.A. Keynes, in a little known article, argued that world peace, prosperity and freedom could best be achieved by emphasising national self-sufficiency rather than international market capitalism:

> I sympathise, therefore, with those who would minimise, rather than with those who would maximise, economic entanglement among nations. Ideas, knowledge, science, hospitality, travel — these are the things which should of their nature be international. But let goods be homespun whenever it is reasonably and conveniently possible, and above all, let finance be primarily national.[17]

As Hymer notes, Keynes supported his case with three basic arguments. First, that contrary to the belief of the nineteenth century free traders, the world market created in the Golden Age of the Pax Britannica did not ensure peace, but ended in depression (Can we not say the same now of the 'Golden Age' of the Pax Americana?)

> We are pacifist to-day with so much strength of conviction that, if the economic internationalist could win this point, he would soon recapture our support. But it does not now seem obvious that a great concentration

> of national effort on the capture of foreign trade, that the penetration of a country's economic structure by the resources and the influence of foreign capitalists, and that a close dependence of our own economic life on the fluctuating economic policies of foreign countries are safeguards and assurances of international peace. It is easier, in the light of experience and foresight, to argue quite the contrary. The protection of a country's existing foreign interests, the capture of new markets, the progress of economic imperialism — these are a scarcely avoidable part of a scheme of things which aims at the maximum of international specialisation and at the maximum geographical diffusion of capital wherever its seat of ownership.[18]

Keynes' second basic argument is concerned with economic efficiency. He argued that the spread of modern technology makes it increasingly easier to produce locally the basic needs of a community, and makes the argument for international specialisation and export-oriented growth less compelling.

Third, and perhaps most important, Keynes argued that the free traders' economic internationalism assumed the whole world was, or would be, organised on the basis of private competitive capitalism. Keynes felt we had to go beyond capitalism if the fruits of the industrial revolution were to be realised in a humane and rational way, but <u>a world market would prevent experiments in socio-economic organisation and thus inhibit the free and full development of a people's potential</u>:

> The decadent international but individualistic capitalism, in the hands of which we found ourselves after the war, is not a success. It is not intelligent, it is not beautiful, it is not just, it is not virtuous — and it doesn't deliver the goods. In short, we dislike it, and we are beginning to despise it...<u>We do not wish, therefore, to be at the mercy of world forces working out, or trying to work out, some uniform equilibrium according to the ideal principles, if they can be called such, of laissez-faire capitalism</u>...We wish...to be our own masters, and to be as free as we can make ourselves from the interference of the outside world.[19] (emphasis added)

Keynes' view, of course, did not prevail, instead the opinions of Wall Street and the City of London did. Hymer notes that <u>The Economist</u> and <u>Fortune</u> welcomed the plan — broached as early as 1942 — to create a post-war world economy based on international capitalism under United States hegemony. 'The idealism of an international New Deal', <u>The Economist</u> said, 'will have to be implemented by the unrivalled technical achievements of American business'. <u>Fortune</u> of May 1942 said, 'American imperialism can afford to complete the work the British started; instead of salesmen and planters, its representatives can be brains and bulldozers, technicians and machine tools'.

This program paved the way for the tremendous expansion of multi-national corporations, and the so-called internationalisation of capitalism, in which multinationals now dominate capitalist world trade, production, and finance. Following Keynes, Hymer argues that this is not conducive to peace, because it results in an international division of labour which accords the top jobs, incomes, and functions to those countries in which the multi-nationals have their headquarters, and inferior jobs, income, status and functions to the rest of the world. It is not conducive to prosperity because it confines a great deal of the world to doing low-level activities at a low level of remuneration, i.e. it accentuates and reinforces existing inequalities in the world, polarising it even further. And, it is not conducive to freedom, because 'the countries which are assigned the task of cheap labour manufacturing sectors do not have the capacity to plan their own future consistent with their own goods, and are not free in that sense'. This last, I feel, is the most potent argument relevant to Australia in relation to world capitalism and transnational corporations.

The third kite is conditional on the first two in the sense that, if the first is correct, then Australia can expect less export-led growth in the next twenty years than in the last twenty; and if Australia integrates itself more into the world capitalist economy than before — by, say, dismantling much further its manufacturing industry, and becoming a 'service' economy serving foreign capital and the needs of the industrialised countries for raw materials and markets for finished goods — then it will come to experience some of the problems that Third World countries have experienced in the 'Development Decade' of the sixties. This will mean built-in structural unemployment for those with the least market power — the young, women, and migrants. The service sector is unlikely to be able to expand sufficiently to absorb all those seeking work, and the white collar jobs are likely to contain an even greater preponderance of Australians (as distinct from migrants) who have had access to some form of higher education, than is the case now. European countries can send their 'guest workers' home, now their industrial base has been built up; ours will be able to stay and join the industrial reserve army of the unemployed. More unemployment and less upward social mobility in a mono-cultural society is one thing; in a multi-cultural society, with Australian 'WASPS' perpetually at the top of the social pyramid, it is quite another. These jobs are what Fred Hirsch calls 'positional goods', in his brilliant new book, Social Limits to Growth[20]; welfare is derived from being at the top of the tree, and such 'positional goods' become more highly valued as basic necessities are met; the problem is that their supply cannot be increased, for as Gilbert and Sullivan noted, 'When everybody is somebody, nobody is anybody'.

It is also important to realise that Australia has some of the characteristics of both the lesser developed primary produce exporting economies, and the well developed economies. A contemporary characteristic of the latter is that offshore investment by transnationals is exporting jobs to the less developed, lower-wage countries, especially in Southeast Asia. There is now developing a great deal of literature on this subject, and how it causes a two-way squeeze on the working class in the industrialised country by creating unemployment, and importing the goods made with cheaper labour in competition with higher-wage labour still in employment. The U.S. Senate Subcommittee on Multi-national Corporations has received a number of submissions on this, which point to a decreasing share of national income going to labour as a result.[21] In their highly successful book, Global Reach[22], Richard Barnet and Ronald Müller refer to the loss of one hundred thousand jobs a year in the U.S.A., stagnating real wages, and a lower labour share of the national income, as a result of the export of capital; they call the cumulative effects of the loss of control over transnationals 'the Latin Americanisation of the U.S.A.'. They also refer to the loss of jobs in the periphery of the U.K. since London became the centre for European transnational banking. This process has only just begun in Australia, but it is estimated that at least ten thousand jobs have been so lost to the Philippines and Taiwan in recent years, especially in textiles and electronics.[23]

A further effect of the impact of international capitalism, it has been argued, is a form of national disintegration; parts of the economy and society become integrated into international capitalism, others do not and this splits the national entity. Kari Levitt discussed this phenomenon in relation to Canada; she argues that Canada is being reconstructed on a north-south axis to suit the new 'colonial' relationship with the U.S.A. In the process it is being fragmented as a national entity; the real decision makers are the multi-nationals and most forms of local democracy become a farce; and the soil in which indigenous initiative can grow is destroyed.[24] Osvaldo Sunkel, writing about national disintegration in Latin America, places great stress on the development of an international, homogenised middle-class market for the new sophisticated products and life-styles propagated by the multi-nationals. This developing middle class in the more advanced sectors of the poorer countries has more in common with its counterpart in the richer countries than with its fellow citizens in the backward sectors of the domestic economy.[25]

Both of these factors seem to be operating in Australia. On the former, Garth Stevenson, in a recent monograph, argues that mineral resource development for foreign markets has caused considerable tensions between the industrialised centre (New South Wales, Victoria, South Australia) and the resource-rich periphery (Queensland, Western Australia, and to a lesser extent Tasmania). In Queensland, 85% of mineral output is foreign controlled; most is exported, principally to Japan. Stevenson considers that:

> The mineral boom has strengthened the links between the outlying states and the external markets and financial centres of Japan, the United States and Europe, rather than tightening the links between these states and the industrialised south-east of Australia. The rapid development of mineral resources in the outer states owes far more to overseas markets and investors than it does to the financial and industrial centres of south-eastern Australia or to the federal government...Mineral resources have also made Australia more heterogeneous, sharpening the distinction between the industrialised 'inner' states and the 'outer' states with mineral-based economies...Interest groups tend to cluster around whichever governments are likely to give them a sympathetic hearing; for the mining industry this means the governments of Queensland and Western Australia...The external linkages of the mining industry with foreign markets and sources of capital are likely to stimulate increasing external and even quasi-diplomatic activities on the part of state governments...most dependent on mineral exports.[26]

In Europe, Jean-Paul Sartre referred to this issue, in an open letter to the French Socialist Party[27]:

> As a direct result of the 1973 crisis and the United States economic offensive against Europe and Japan, a new balance of power and a new international division of labour have brought about economic decline, increased unemployment, and the disintegration of the political structures of Great Britain and of the south of Europe as a whole. Our days are now numbered ...Europe is becoming a second Latin America. While West Germany has emerged as the leading economic, military, and political power in Europe, the bourgeoisies of southern Europe are grappling with insurmountable difficulties — or have already been brought down by them. They probably prefer to yield unconditionally to German-American leadership rather than hand over the reins of power to what they call Socialist-Marxist coalitions.

It seems that the time is ripe for a re-reading of Marx on free trade, always remembering his views that the issue for capitalism was socialism or barbarism; and we seem to be getting barbarism:

> Either we must reject all political economy based upon the assumption of free trade, or we must admit that under this free trade the whole severity of the economic laws will fall upon the workers...what is free trade under the present conditions of society? It is freedom of capital. When you have overthrown the few national barriers which still restrict the progress of capital, you will merely have given it complete freedom of action ...All the destructive phenomena which unlimited competition gives rise to within one country are reproduced in more gigantic proportions on the

world market...it breaks up old nationalities and pushes the antagonism of the proletariat and the bourgeoisie to the extreme point. In a word, the free trade system hastens the social revolution. It is in this revolutionary sense alone, gentlemen, that I vote in favour of free trade.[28]

My final kite is to suggest that, if there is anything of substance in the foregoing, then Australian economic policies ought to have more in common with some of the demands of the Third World, than with the 'modified free trade position' of orthodox analysis. We should look carefully at the twelve points of a new strategy indicated, to see what is applicable to Australia. This strategy is set out in such documents as the Cocoyoc Declaration, the Karachi manifesto, and the Charter of Economic Rights and Duties adopted by the United Nations in December 1974. The following paragraph draws on Barraclough's summary of these.[29]

Some of the more relevant points are: (1) The need to adopt policies reflecting a country's own social and economic conditions. (2) Rejection of the assumption that the existing international economic order reflects 'natural' economic laws which cannot be interfered with, without destroying its efficiency. (3) The goal should not be to 'catch up' with the West, but to make better use of a country's own resources, the most important of which is manpower. (4) Instead of following the industrialised world in increasingly sophisticated modes of production, the aim should be a better utilisation of locally available factors of production. (5) This means less reliance on Western machinery and technology and greater concentration on producing the capital goods and technology necessary for exploiting local resources. (6) Such policies are impossible without domestic determination of development priorities. Hence the demand, in the United Nations Charter of Economic Rights and Duties, for full permanent sovereignty of every state over its national resources and activities, including the right to nationalise, expropriate, and transfer ownership wherever necessary to ensure effective control. This means subordination of transnational corporations to the national interest, especially in the natural resource area. (7) What is required is selective participation in the international economy, not total integration. Hence any effective development strategy needs to establish criteria for such selectivity. (8) A corollary is co-operation with selected partners which could include preferential trade agreements, joint financing of development projects, and the establishment of regional and inter-regional enterprises to process raw materials and ensure complementarity in industrial production, instead of competition. (9) The setting up of Third World financial institutions such as clearing unions and investment banks, not linked with the currencies of the industrialised nations, and free from dependence on Wall Street and the City of London.

The only trouble with this kite, of course, is that it will not fly as long as political compradors hold the strings, and intellectual compradors plot the flight path. The penalty of being locked into international capitalism is that both are produced in abundance, as Keynes saw over forty years ago. Imperialism exports not only capital, technology, goods and people, but also the ideology designed to help maintain it in perpetuity. The most urgent task of labour economists is to demystify the propaganda emerging from the citadels of 'Western' capitalism, which masquerades as economic science, and chart the way forward for the development of an independent Australia in the Age of Uncertainty. Then at least, when the 'Latin Americanisation' of Australia begins, they cannot be held responsible.

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[1]Charles Kindleberger, The World in Depression 1929-39, University of California, 1974.

[2]J.A. Crotty and L.R. Rapping, American Economic Review, December 1975.

[3]Ernest Mandel, Late Capitalism, NLB, London, 1975.

[4]Raymond Franklin, American Capitalism: Two Visions, New York, 1977.

[5]W. Rosenberg, New Zealand, 1977 (privately communicated).

[6]H. Magdoff and P. Sweezy (see for example, 'Banks: Skating on Thin Ice', February 1975).

[7]See G.J. Crough, Foreign Ownership of the Finance Sector in Australia, Transnational Corporations Research Project (T.C.R.P.), University of Sydney, 1976.

[8]See E. Rothschild, 'Banks: The Coming Crisis', The New York Review of Books, 27 May 1976; V. Chick, Transnational Enterprises and the Evolution of the International Monetary System, T.C.R.P., University of Sydney, 1976; and G.J. Crough, Transnational Banks and the International Economy, T.C.R.P., University of Sydney, 1977.

[9]See Neil McInnes in The National Times, 15 May 1977, and Hobart Rowen in the Washington Post, reprinted in The Guardian, 5 June 1977.

[10]'Labor and the Multi-nationals' in Foreign Affairs, January 1976.

[11]New York Review of Books, 7 August 1975.

[12]Raymond S. Franklin, American Capitalism, New York, 1977.

[13]Economic Growth Centre Paper No. 28, Yale University, U.S.A.

[14]Reprinted by the Agricultural Development Council, New York, 1970.

[15]Stanford University Press, California.

[16]Summary of the Hearings Before the Group of Eminent Persons to Study the Impact of Multi-national Corporations on Development and on International Relations, United Nations, New York, 1974, pp. 217-221, 245-247.

[17]J.M. Keynes, 'National Self-Sufficiency', 1933.

[18]ibid.

[19]ibid.

[20]Fred Hirsch, Social Limits to Growth, London, 1977. This book will have more impact than Galbraith's Affluent Society; it should be read by all Australian economists, especially those (nearly all?) who cannot see that our problems have slipped out of the frame of reference of neo-classical economics.

[21]See for example, Peggy B. Musgrave's submission, Direct Investment Abroad and the Multi-nationals: Effects on the United States Economy, August 1975.

[22]Simon and Schuster, New York, 1974.

[23]See Michael Southern in the Financial Review, 24 November 1976.

[24]Silent Surrender, Toronto, 1970.

[25]'Development, Under-development, Dependence, etc. — Towards a Global Approach', paper given to the Conference of the Pacific at Vina del Mar, Chile, 1970.

[26]Garth Stevenson, Mineral Resources and Australian Federation, Research Monograph No. 17 of the Centre for Research on Federal Financial Relations, Australian National University, Canberra, 1977, pp. 10-11, 86-87.

[27]In the Le Monde (English) section of The Guardian Weekly, 20 February 1977.

[28]Karl Marx, 'On the Question of Free Trade', in The Poverty of Philosophy, Moscow, 1973, pp. 192-195.

[29]'The New Economic Order', in The New York Review of Books, 13 May 1976.