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Barrie Dyster and David Meredith

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Australia in the Global Economy

CONTINUITY AND CHANGE

Second Edition

With the global economy in crisis, there is great need for a deeper understanding of Australia's economic place in the world – both today and throughout history. This new edition of Barrie Dyster and David Meredith's highly successful book is fully updated, and includes three new chapters covering until the end of 2011.

This book explores the evolution of Australia's position in the global economy from the start of the twentieth century through to the present day, examining the international and local economies of five key historical periods. With a focus on trade, foreign investment and immigration, *Australia in the Global Economy* considers periods both of substantial growth and development, and of upheaval and decline, including: the Great Depression, the Second World War, the stagflation of the 1970s, and the most recent global financial crisis.

By using historical perspectives to explain the present and give direction to the future, this unique text presents a rich account of Australia's position within a global economic context. It is an essential resource for students and lecturers of Australian economic history.

Barrie Dyster is Visiting Member of the School of Economics in the Australian School of Business at the University of New South Wales.

David Meredith is a member of the History Faculty at the University of Oxford.

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DAVID MEREDITH**



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■ Preface to the Second Edition

A passage of 12 years and the onset of the global financial crisis in 2008 have made a second edition of this book timely. The crisis is far from over, but we hope that a perspective on the history of Australia's relationship with the world economy over the long twentieth century will prove helpful in understanding current developments. The book has been revised throughout and some chapters have been altered substantially. The last three chapters update the story to the end of 2011, and the last two chapters are completely new. We have benefited greatly from the constructive comments and suggestions on the revised chapters made by anonymous referees, and wish to acknowledge their efforts. All remaining faults lie, as ever, with the authors. Philippa Whishaw and Kim Armitage provided patient advice and encouragement from the CUP offices in Melbourne throughout the process.

■ *Overview of the book*

Australia in the Global Economy is arranged chronologically. Chapter 1 presents the main themes and historical overview. Chapters 2 and 3 are concerned with Australia in the international economy before the outbreak of the First World War in 1914. Chapter 2 discusses changes in the international economy in the late nineteenth and early twentieth centuries, and looks at how these impacted on Australia. Chapter 3 examines Australia's responses during this period in more detail.

Chapters 4, 5 and 6 deal with the period from the start of the First World War to the outbreak of the Pacific War in 1941. Chapter 4 outlines the relevant changes in the world economy and highlights their significance for Australia. Chapter 5 details Australia's relations with the international economy in the 1920s and Chapter 6 examines those relations in the 1930s.

Chapters 7, 8 and 9 cover the period in Australian and international economic history known as the Long Boom: from the Second World War to the mid-1970s. Chapter 7 discusses the changes in the world economy during this time of strong economic expansion, and Chapters 8 and 9 contain analyses of how Australia participated in the international Long Boom.

Australia's relations with the global economy in the more turbulent final quarter of the twentieth century are the subject of Chapters 10 and 11. Chapters 12, 13 and 14 cover the period from the 1990s to 2011 in some detail. The upheavals in the world economy in the 1970s and 1980s, and their implications for Australia, are outlined in Chapter 10. Chapter 11 covers the period of stagflation and economic reform in Australia from 1975 to the 1990s. Chapter 12 provides a summary of the international changes that impacted on Australia between the early 1990s and the global financial crisis after 2008. Chapter 13 discusses how the Australian economy performed in its new 'global' setting from 1990 to 2007, and concludes with a perspective on 'globalisation' at the start of the new century. Chapter 14 is a close examination of the twists and turns taken by the Australian economy as the global financial crisis

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PREFACE TO THE SECOND EDITION

unfolded. A statistical appendix provides further discussion of the tables in Chapter 13 and several additional tables.

Suggestions for further reading are given at the end of each chapter, and there is a wide-ranging bibliography. A glossary of economic terms has been provided, and the terms are marked in bold in the text.