## **Contents**

Acknowledgements Preface Policy Assessment		page iii vii 1			
			Chapter 1	Britain in the 1980s  The risks of prolonged stagnation – Social policies in conditions of economic stagnation – A spontaneous recovery? – The reflation alternative – The Labour Party's alternative	4
			Chapter 2	Will British industry recover?  The recent fall in industrial output – Trade performance – The government's view of industrial decline – An alternative view – Remedies for industrial decline – Is government policy working? – Future prospects	18
Chapter 3	Reflation and industrial policy in France  Some key features of the French economy – 1974 to 1981: the successive failure of two policies – Mitterrand's policy assumptions and constraints – The short-term measures – The implementation of the medium-term strategy – The prospects for policy in the short and medium term	27			
Chapter 4	The 'New Cambridge' hypothesis and fiscal planning  Private asset accumulation in a model of national income determination – The 'New Cambridge' hypothesis – Implications for fiscal policy – Actual and predicted changes in aggregate private expenditure, 1965-81	33			
Chapter 5	Inflation and unemployment – a critique of Meade's solutions Meade's hypothesis and proposals – Critique of Meade's assumptions about product markets and profits – Critique of Meade's view of the labour market – How could stagflation be tackled?	39			
Statistical Appendix	Historical data and projections for the UK economy	44			