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## Australia: The Platypus Economy



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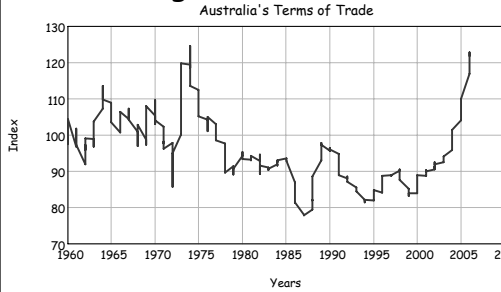
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### What sort of animal is this?

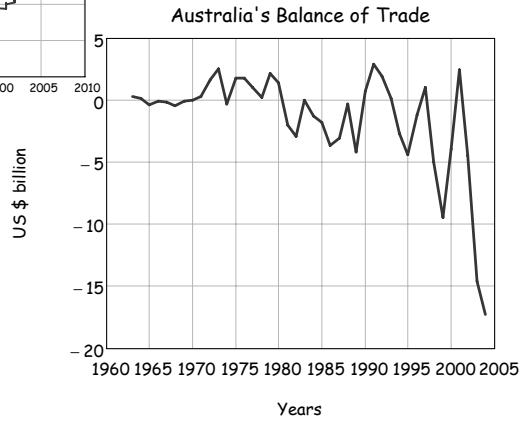
- Platypus
  - A mammal...
    - With webbed feet...
    - That lays eggs...
    - And has a poisonous spur...
- Australia
  - A booming developed economy...
    - That exports raw materials
    - With a soaring terms of trade
    - And a soaring trade deficit
    - And huge government surpluses

## The international environment

- Booming terms of trade...

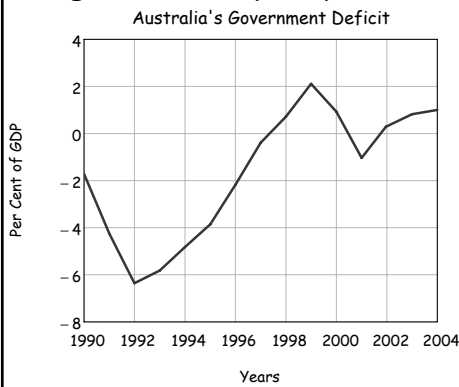


- Yet a plunging balance of trade...

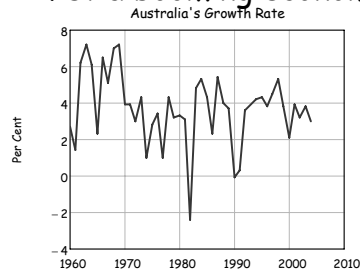


## The domestic environment

- Contractionary government policy

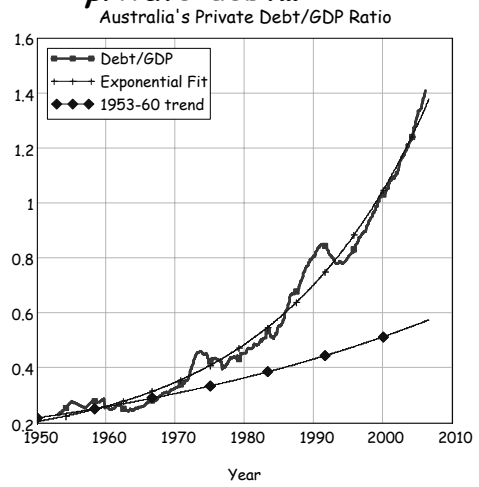
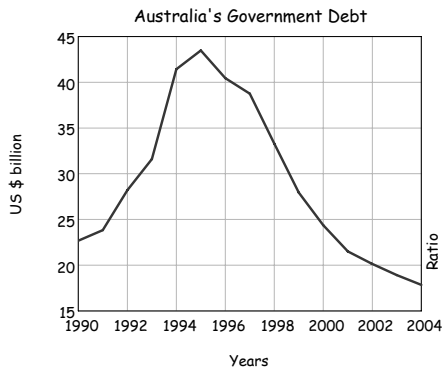


- Yet a booming economy...



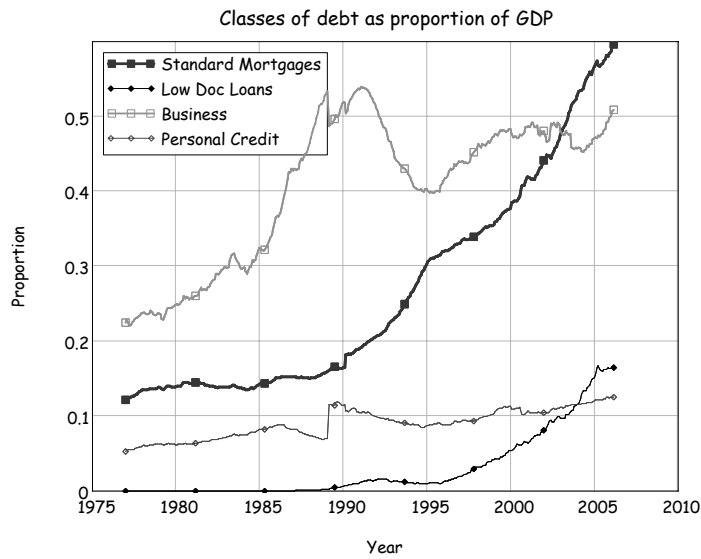
## The poisonous spur...

- Sound government finances...
- ***Out of control private debt...***



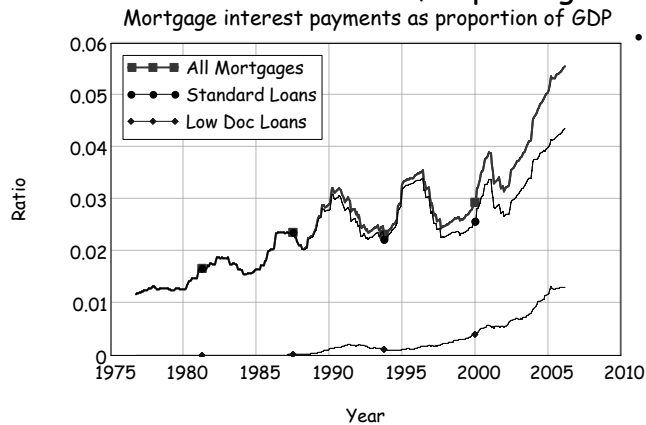
## The 90's all over again?

- Households rather than Bond & Skase...



## The recession we can't avoid?

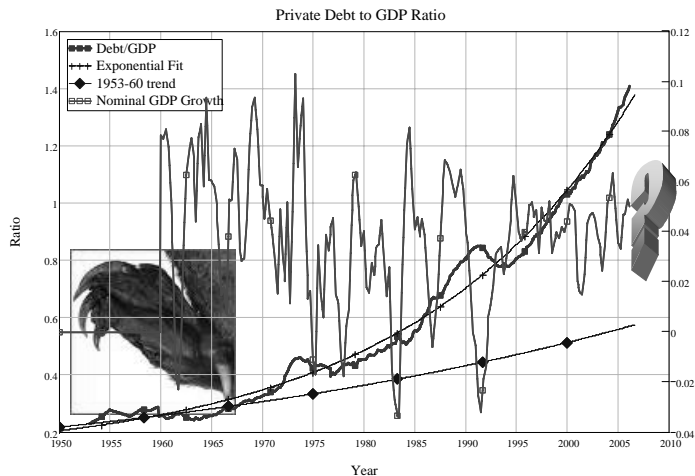
- Unsustainable trend in debt
  - If trend doesn't reverse, exploding interest burden...



- If it does, a decade of low consumption growth...

## The recession we can't avoid?

- Correlation between debt corrections and recessions...



- There could be a sting on its way...
- Check [www.debunking-economics.com/debt](http://www.debunking-economics.com/debt)