

# List of Suggested Readings

## On Austerity

- Alesina, A., Barbiero, O., Favero, C., Giavazzi, F., & Paradisi, M. (2015, January). *Austerity in 2009–2013* (NBER Working Paper. 20827). <http://www.nber.org/papers/w20827>.
- De Long, B. (2012). Spending cuts to improve confidence? No, the arithmetic goes the wrong way. In G. Corsetti (Ed.), *Austerity: Too much of a good thing?* *VoxEu*.
- De Long, B., & Summers, L. (2012). *Fiscal policies in a depressed economy*. Paper presented at the Spring 2012 Brookings Panel.
- Helgadóttir, O. (2016). The Bocconi Boys go to Brussels: Italian economic ideas, professional networks and European austerity. *Journal of European Public Policy*, 23(3), 392–409.
- Islam, I., & Chowdhury, A., Revisiting the evidence on expansionary fiscal austerity: Alesina's hour? *VoxEU*.  
<http://voxeu.org/debates/commentaries/revisiting-evidence-expansionary-fiscal-austerity-alesina-s-hour>.
- Ostry, J., Loungani, P., & Furceri, D. (2016, June). Neoliberalism: Oversold? *IMF Finance and Development*, 53(2), 38–41. <http://www.imf.org/external/pubs/ft/fandd/2016/06/pdf/ostry.pdf>.

## Austerity in the UK and in Europe

- Chick, V., & Pettifor, A. (2010, July). The economic consequences of Mr Osborne. Fiscal consolidation: Lessons from a century of UK macroeconomic statistics, Prime. <http://www.primeconomics.org/publications/the-economic-consequences-of-mr-osbourne>.
- De Grauwe, P., & Ji, Y. (2013, October 4 ). The legacy of austerity in the Eurozone. *CEPS*. <https://www.ceps.eu/publications/legacy-austerity-euro-zone>.
- Skidelsky, R., & Martin, F. (2011, July 31). Osborne's austerity gamble is fast being found out. *Financial Times*. <https://next.ft.com/content/8f8888ccbba9-11e0-a7c8-00144feabdc0>.
- Stiglitz, Piketty et al. (2015). In the final hour, a plea for economic sanity and humanity. [http://www.feps-europe.eu/assets/4958a9ed-7b13-4477-a946-1b8e07dbd5b5/in-the-final-hour-a-plea-for-economic-sanity-and-humanity-ftp.pdf?utm\\_source=Monthly+Newsletter&utm\\_campaign=acbd430f-Financial\\_Times6\\_9\\_2015&utm\\_medium=email&utm\\_term=0\\_4aea2f6f40-acbd430f-109320649](http://www.feps-europe.eu/assets/4958a9ed-7b13-4477-a946-1b8e07dbd5b5/in-the-final-hour-a-plea-for-economic-sanity-and-humanity-ftp.pdf?utm_source=Monthly+Newsletter&utm_campaign=acbd430f-Financial_Times6_9_2015&utm_medium=email&utm_term=0_4aea2f6f40-acbd430f-109320649).
- Wren-Lewis, S. (2015, February 19). The austerity con. *London Review of Books*. <http://www.lrb.co.uk/v37/n04/simon-wren-lewis/the-austerity-con>.
- Wren-Lewis, S. (2016, January 21). The dead hand of austerity; left and right. *mainly macro*. <https://mainlymacro.blogspot.it/2016/01/the-dead-hand-of-austerity-left-and.html>.

# Index

## A

- Alesina, Alberto 17, 18, 20, 41, 57, 69  
Ardagna, Silvia 18–20  
Austerians 36, 41, 42, 45–47, 51–54, 63, 71, 87, 167  
Austerity  
  ideology 35, 164  
  policy 18, 39, 83, 118, 141, 167

## B

- Bank of England 37, 73, 112, 120, 122, 143, 144  
Banking system 106, 107, 140, 166  
Barro, Robert J. viii, xiii  
Blanchard, Olivier 20, 36, 87, 88, 102  
Blanchflower, David 96, 109, 158  
Bloco de Esquerda xii  
Blyth, Mark 17, 163, 175  
Bocconi school 17

## Budget

- Deficit 36–38, 67, 68, 71, 74, 93, 94, 96, 118, 140, 141, 143, 144, 164  
Surplus 152, 167

## C

- Cable, Vince 71, 99, 109, 115  
Cameron, David 37, 43, 48, 50, 51, 119, 135, 137  
Capitalism 3, 5–8, 101, 174  
Central Banks 53  
Centre for Economic Policy Research 103  
Centre for Macroeconomics 49  
Chancellor of the Exchequer viii, 69, 118, 128, 134, 157  
Chang, Ha-Joon 157, 158  
Chick, Victoria xi, 96, 158  
Clinton, Hillary 37  
Cochrane, John viii, xiii

## Confidence

- Business confidence 100, 117, 130, 134, 137, 138, 162
- Confidence fairy 46, 63–65, 67–69, 117, 118, 122, 134
- Market's confidence 4
- Private sector's confidence vi, vii, 131
- Schizophrenic confidence 87, 88
- Conservatives 39, 40, 69, 111, 118, 157, 161, 162, 167
- Consumption 7, 12, 14, 53, 101, 143, 167, 174
- Corbyn, Jeremy xii, xiii
- Crisis 3, 5, 18, 40, 43, 44, 51, 53, 65, 71, 75, 84, 96, 99, 105, 120, 144, 168, 170, 172, 173
- Crouch, Colin 3, 170, 175

## D

## Debt

- Public debt 3, 4, 6, 7, 15, 23, 25, 27, 31, 32, 53, 120, 121, 173
- Debt-to-GDP 18, 25, 28, 29, 59, 71, 113, 120
- Deficit 7, 19–21, 30, 37–43, 47, 50, 52, 67, 68, 72, 73, 77, 80, 85, 87, 96, 100, 102, 104, 105, 109, 110, 118, 119, 121, 122, 129, 134, 139, 144, 145, 147, 152
- De Grauwe, Paul 71, 72, 74, 75, 77, 96
- Democracy 3, 53, 172
- Draghi, Mario xi, 78, 80, 168, 169

## E

- Employment 6, 13, 31, 39, 41, 46, 49, 53, 60, 64, 65, 71, 83, 85, 94, 95, 100–102, 110–115, 118, 122–124, 140, 141, 143, 164, 165
- Essays on the Funding System* (Ricardo) viii
- European Central Bank (ECB) 36, 41, 42, 44, 65, 72, 77–79, 81, 82, 84, 166, 168, 169
- European Monetary Fund 75
- European Stability Mechanism (ESM) 75, 165
- European Union (EU) 146
- Eurozone 36, 60, 71, 72, 74–76, 79, 81, 82, 84, 85, 104, 120, 131, 139, 140, 164, 168

## F

- Fama, Eugene viii, xiii
- Federal Reserve 37, 41, 145
- Ferguson, Niall vi, ix, 39, 127
- Financial markets 4, 5, 65, 75, 77, 96, 100, 133, 164, 167, 168
- Fiscal adjustment 18–21, 58, 59, 102
- Fiscal Compact 60
- Fiscal policy 20, 40, 42, 48, 49, 51, 59, 63, 77, 80, 96, 102, 104, 118, 143, 144, 151, 161–163
- Friedman, Milton 162

## G

- General Theory of Employment, Interest and Money* (Keynes) 127

- Germany 24, 26, 28, 37, 41, 103,  
120, 121, 146, 167, 171, 173,  
175
- Giavazzi, Francesco 102
- Government  
bonds 5, 36, 72, 75, 89, 110, 153  
debt 4, 18, 29–32, 38, 43, 72, 73,  
75, 81, 89, 120, 121, 152, 173  
deficit 99, 111, 121, 145, 152  
expenditure 57
- Graeber, David 148, 151, 157
- Great Depression 68, 102, 111, 118,  
122, 129
- Great Recession 68
- Greece 25–28, 31, 36, 40–43, 46, 64,  
68, 69, 71, 82, 104, 110, 111,  
140, 171
- Gross Domestic Product (GDP) 17–  
19, 23–29, 31, 42–46, 48, 54,  
58, 59, 71, 73, 78, 79, 82–84,  
99–101, 110, 113, 119–121,  
128, 129, 134, 137, 138, 154,  
157, 164, 165, 168, 172–174
- Growth 5, 6, 18–20, 23–32, 37, 42,  
44, 46–50, 53–55, 57–60, 65,  
67, 78, 79, 81, 83, 88, 89, 95,  
96, 100–105, 111–113, 118,  
120, 122, 128, 129, 137, 138,  
142, 143, 164–166, 170–175
- H
- Hayek, Friedrich von 55, 105, 162
- Hoover, Herbert 65
- Household's debt 120, 154, 155, 173
- House prices 144, 154
- I
- Inflation 5–7, 23–25, 30, 31, 33, 44,  
45, 78, 79, 82, 104, 120, 122,  
129, 166, 170
- Interest rate 89, 112, 168, 171
- International Monetary Fund 102,  
119
- Ireland 24, 26–28, 46, 65, 104, 105,  
171
- Italy 24–28, 36, 43, 82, 89, 120,  
122, 171
- J
- Jabko, Nicolas 164, 166–168
- K
- Keynes, John Maynard 55, 99–107,  
111, 112, 118, 143, 162, 171,  
173
- Keynesian  
Austerity 99, 101–105, 119, 129,  
130  
critics 103, 104, 118  
economists 105, 135  
model 101, 102, 119, 173  
policies 3, 17, 18, 49, 50, 53, 99,  
101, 104, 112, 118, 120  
view 18, 102, 103, 162
- Konzelmann, Sue viii, xiii
- Krugman, Paul 35, 53, 55, 63,  
67–69, 117, 118, 122, 124,  
134, 161
- L
- Labour party 39, 117, 125

La Malfa, Giorgio *xii*  
 Left-wing 161  
 Liquidity crisis 72–73, 157

## M

Manufacturing 103, 113, 114, 167  
 Marxist 170, 172  
 Mazzucato, Mariana 157, 158  
 Miliband, Ed 37  
 Monetary policy 19, 38, 40, 53, 54,  
 77, 80, 100, 104, 110, 144,  
 158, 162  
 Mortgages 152

## N

New classical or Neo-classical  
 School of thought 161  
 Textbooks 169  
 Nobel-prize 63, 100  
 Non-Keynesian effects 18

## O

Obama, Barack 5, 39, 40, 43, 49, 50,  
 140  
 OECD 20, 26, 48, 58, 142, 144,  
 165, 169, 171–174  
 Office for Budget Responsibility  
 (OBR) 48, 100, 113, 152–155  
 Osborne, George 37, 43, 47–49, 69,  
 70, 105, 108, 117–122, 129,  
 130, 134, 137, 146, 157

## P

Piketty, Thomas 157, 158  
 Podemos *xii*

Portugal 24, 26, 28, 36, 46, 71, 82,  
 104, 171  
 Post-Keynesian 81  
 Post-war Keynesian *x*  
 Private demand 21  
 Privatized Keynesianism 3, 170  
 Public spending 6, 17, 67, 69, 107,  
 111, 129, 143, 145, 166, 170

## Q

Quantitative Easing 52, 77, 78, 80,  
 81, 84, 85, 100, 112, 141, 171

## R

Recovery 14, 15, 36, 41–43, 50–54,  
 63, 65, 68, 69, 81, 83, 88, 90,  
 93–95, 99, 102–104, 110–113,  
 117, 120, 127–129, 131,  
 140–142, 144, 147, 166  
 Reinhart, Carmen 18, 23, 24, 26,  
 28–33, 42, 43, 46, 47, 54, 111  
 Ricardian equivalence 102  
 Ricardian school *vii*  
 Ricardo, David 103  
 Rodrik, Dani 54  
 Rogoff, Kenneth 18, 23, 24, 26,  
 28–32, 42, 43, 47, 55, 67, 69,  
 94, 111  
 Roosevelt, Franklin D. 50, 103

## S

Savings 5, 6, 101, 106, 112  
 Schui, Florian *vii*  
 Sectoral balance 152

- Skidelsky, Robert 52, 55, 67, 87, 91, 95, 96, 101–105, 109, 117, 118, 122, 127, 134, 137, 140
- Slump 38, 41, 52, 65, 68, 69, 101–103, 112, 127–128, 130, 138, 173, 175
- Smith, Adam 97
- Spain 24, 26–28, 36, 43, 46, 71–74, 104, 171
- Spending cuts 5, 17–19, 21, 37, 39, 42, 45, 46, 48, 58, 59, 65, 96, 102, 118
- Stagnation 42, 65, 111, 113
- Stimulus 9, 35, 37–41, 49, 52–55, 63, 64, 67–69, 77, 87, 88, 91, 95, 105, 11, 119, 139–141, 143, 144, 163
- Streck, Wolfgang 3–4, 164, 170–175
- Subprime mortgage market v
- Syriza xii
- T**
- Ten-year Bond yields 169, 175
- Thompson, Helen 164, 166, 167, 168
- Treasury, British 9, 36, 38, 96, 103, 111, 147
- Trichet, Jean-Claude 42, 65, 166
- U**
- Unemployment 31, 39, 64, 71, 83, 85, 95, 100, 110–113, 118, 122–124, 140, 141, 143, 164, 165
- United Kingdom 26, 35, 70, 91, 118, 127, 133, 171
- United States of America 26, 39, 50–52, 80, 85, 88, 120, 167, 171, 174
- W**
- Westminster xii
- Wiesenthal, Joe 168, 169
- Wolf, Martin 53, 74
- World Bank 4, 26, 32
- Wren-Lewis, Simon 49, 128, 129, 142, 158