

Part IV

Austerity vs Stimulus in the UK

In this part we explore the Austerity vs Stimulus debate in the United Kingdom. It starts with two letters by prominent economists: one—published on *The Sunday Times*—encouraging the government to implement an austerity plan; the other one—published on *The Financial Times*—criticizes this.

The second chapter of the part looks at two debates: the first between the UK Secretary of State for Business, Innovation and Skills, Vince Cable and David Blanchflower and Robert Skidelsky; the second, between Skidelsky and the economic historians Niall Ferguson (Harvard University), following the discussions on public debt during 2015 Britain's general elections. The discussion on confidence introduced in the previous sections should be useful for the reader to understand and make up her/his own opinion on the current debate on fiscal policies. Confidence in fact, as the following section shows, is still at the center of the British debate for both the two sides.