

Frail economy needs another stimulus

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I was one of 82 who submitted the following letter to the Guardian today:

The Conservative party's calls for immediate cuts to the economy have been met by a growing chorus of criticism, warning that this risks sending the economy back into recession ([Report](#), 8 March). The government was right to stimulate the economy with a variety of measures last year and so offset some of the worst effects of the recession. Yet, as some of the world's leading economists have pointed out, the fragile nature of the recovery means that fiscal stimulus is still required. However, according to the IMF, Britain is one of only two G20 countries not currently planning any such fiscal stimulus in 2010.

A programme of government investment would not only stimulate the wider economy in the short term, but would increase long-term growth, thereby lowering the debt levels through a higher tax take. To this end, we encourage the chancellor to use the forthcoming budget to announce a second fiscal stimulus — especially in housing and transport, where investment has fallen most, and with a focus on developing a low-carbon economy — which would both help to secure economic recovery and create much needed jobs.

Colin Burgon MP

and 81 others

The need is obvious.

Will Alistair Darling respond?