

# INTRODUCTION

This issue covers, as always, a very wide range of topics as we try to draw on different approaches and traditions to examine old and new theoretical and practical issues in economics.

We begin with an unusual article by **Catherine Hakim**, who argues that the commercial sex industry arises from a fundamental imbalance in male and female sexuality and cannot be eliminated by government prohibition.

**Gianluigi Pelloni** and **Marco Savioli** discuss the stagnation of the Italian economy and argue for fundamental political and economic reforms to end the system of *partitocrazia* which has hobbled Italy for decades.

In an article based on his Inaugural Professorial Lecture at King's College, London, **Mark Pennington** examines principles underlying institutions that are economically and politically feasible but also ethically attractive.

In highlighting the fundamental structures and mechanisms of capitalism, **Elaine Sternberg** offers a definition of the phenomenon which facilitates defences of its workings that are more robust than those usually offered.

The choice of the euro for the European Union's monetary future was not inevitable: **John Phelan** discusses the 'Hard ECU' which was also a possibility.

**Souad Adnane** argues for economic freedom as being necessary for the emancipation of women in the Middle East and North Africa, although it needs to be accompanied by sensitivity to gender issues raised by the predominant culture.

The Climate Change Conference to be held in Paris at the end of 2015 will see renewed attempts to reach agreement to reduce anthropomorphic greenhouse gas emission.

**David Campbell**, in a provocative article, attacks the role played by Lord Stern in the climate change debate and highlights an apparent shift in his position.

China's boom is proving unsustainable, with considerable implications for the world economy. **David Howden** and **Jason XingBin Li** use Austrian business cycle analysis to offer insights.

**Vincent Geloso** examines Deirdre McCloskey's view that Western economic growth since the eighteenth century can be explained by Israel Kirzner's analysis of entrepreneurial change. While endorsing McCloskey and Kirzner's position, he argues for a greater emphasis on the role of social networks.

In the Discussion section, **Vicky Pryce** outlines the prospects for the Greek economy, while **Pythagoras Petratos** explains how decentralisation and financial innovation can expedite infrastructure investment.

In our regular Review Article, **Ning Wang** reflects on the role of the state in China's market transformation.

**J. R. Shackleton**  
Editor