

INTRODUCTION

This issue begins with an article on the perennially controversial topic of the UK's television licence and the funding of the BBC. **Helen Weeds** offers a comprehensive review of the arguments for subsidising public sector broadcasting. While accepting that there is a case for some such subsidy, it can no longer be made on traditional 'market failure' grounds, and she finds that the licence fee in its current form is no longer justifiable.

Public funds are often used to support major sporting events. Econometric impact studies have suggested that, despite rhetorical claims, there are few lasting economic benefits to cities and regions hosting such events. **Peter Groothuis** and **Kurt Rothhoff** support this conclusion using a national US survey which finds that the general public has become sceptical about the use of public subsidy for this purpose.

Energy is regulated by the state in most countries. The United Kingdom had a brief period when regulation was reduced and the sector exposed to market forces, but there has since been reversion to the regulatory norm as new arguments for state intervention have been put forward. **Colin Robinson** reviews the recent history of UK energy policy, which has been confused and contradictory. He believes that there is a case for moving away from centralised action, and returning to a much more competitive market with less government intervention.

Forrest Capie and **Geoffrey Wood**, using historical examples from finance and the production of wine and music, argue that competition within the rule of law, without government regulation, typically produces desirable outcomes.

Mediaeval discourse on economics was largely inseparable from theological doctrine. But **Benedikt Koehler** argues that the work of Thomas Aquinas illustrates the contention that economic analysis as an independent discipline was taking shape in thirteenth-century scholasticism.

Ofsted, the UK schools regulatory body, now has a much wider responsibility for child protection including the oversight of children's social service departments. **Barrie Craven** and **James Tooley** argue that its exercise of this responsibility has been poor and it has failed adequately to protect children from abuse.

In the Discussion section, **Adam Baldwin** outlines the case for Tax Increment Financing to incentivise real estate development. **Jean Baneth** takes issue with **David Henderson's** advocacy of GDP comparisons using Purchasing Power Parity: Henderson offers a rejoinder.

In this issue's Review Article, **Paul Ormerod** discusses the growing influence of behavioural economics epitomised in Richard Thaler's recent book.

J. R. Shackleton
Editor