

INTRODUCTION

This issue begins with an important piece on the UK's National Insurance system. The current Chancellor of the Exchequer has followed several of his predecessors in expressing interest in merging National Insurance contributions with Income Tax. **Alan Peacock** and **George Peden** broadly agree with the case for such a merger, but point to some of the reasons why the system has resisted change.

The UK government is among many that are devoting substantial resources to regulation, state provision and tax subsidy of childcare and preschool education. This is a comparatively recent development and **Gillian Paull** analyses the reasons for it. While recognising that there may be a case for government intervention, she argues that the case for measures adopted in the UK is as yet unproven.

Economists have frequently advocated the use of a carbon tax as a key element in responding to the perceived problem of climate change. **Alex Robson** argues that the experience of Australia's version of a carbon tax has not been a happy one.

The recent death of Nobel laureate Ronald Coase provides an appropriate moment to summarise and evaluate this great economist's contributions to theory and policy. **Martin Ricketts** gives an assessment.

Anthony J. Makin offers a critique of revived fiscal activism in the G20 and calls for government spending to be thoroughly reviewed against the principles of public finance.

In an article based on an experimental study in the US, **John McCollough** and **Komal Karani** argue that media reports strongly influence the housing market and consequent household spending behaviour.

The UK government has recently privatised the Royal Mail. The official historian of privatisation, **David Parker**, draws on documents that are still closed to the general public to explain why previous attempts to privatise the UK's earliest 'nationalised industry' ended in failure.

In the Discussion section, **Andrew Dunn** is very critical of the bias of much of UK social policy literature, **Pete Comley** argues that inflation has a sinister purpose, and **Anandadeep Mandal** comments on the role of econometric modelling in the genesis of the recent financial crisis.

In a review article, **John Blundell** examines the first volume of Charles Moore's new biography of Margaret Thatcher in light of the extensive existing literature and his own recollections.

J. R. Shackleton, Editor