

## INTRODUCTION

This issue begins with an article on China's policy on technology transfer by **Bob Carbaugh** and **Chad Wassell**. The authors take a critical view of its policy and discuss possible outcomes of the dispute it has created with the United States.

**Roland Vaubel** examines the classical case for freedom, beginning with arguments about knowledge and incentives. He considers the extent to which classical freedom is compatible with other aims.

For many years governments have maintained strategic reserves of resources such as oil. **Lawrence Haar** argues that this is unnecessary. Using evidence from traded option markets, he makes the case that markets can be trusted to satisfy demand without shortages, at affordable prices.

Contingent valuation methodology is used to assist policymakers in valuing non-market goods and spillover benefits. **Thea Vinnicombe** and **Joey Pek U Sou** grapple with some of the difficulties raised by this approach, using a small case study of the benefits associated with the Macau Orchestra.

**Sena Kimm Gnangnon** uses a large panel dataset to show that multilateral trade liberalisation boosts export product diversification. He argues that this effect is greatest for less-developed economies, and consequently current trade tensions may have a disproportionately negative effect on poorer countries.

Hedge funds are an important feature of today's financial ecosystem. **Steven Lee** and **Edward Kramer** critically examine attempts at regulation. They argue that neither the funds nor their managers should be regulated; rather, the advisors who recommend these products to investors should bear the regulatory burden.

A Discussion article by **Kevin Dowd** argues that the pressure to abolish cash and switch to digital money presents profound dangers for privacy, civil liberties, and the resilience of economic systems to disruption.

In other Discussion articles **Daniel Klein** asks whether it is just to pursue honest income, and **Donald Boudreaux** offers a strong defence of Comparative Advantage in both theory and practice. **Robert Sugden** sketches a behavioural economist's defence of the market, based on his recent book.

In this issue's Review Article, **Kristian Niemietz** looks at 'Millennial Socialism' but finds nothing new in this phenomenon.

J R Shackleton  
Editor