

*Editors' Preface to Macmillan Studies in Economics*

The rapid growth of academic literature in the field of economics has posed serious problems for both students and teachers of the subject. The latter find it difficult to keep pace with more than a few areas of their subject, so that an inevitable trend towards specialism emerges. The student quickly loses perspective as the maze of theories and models grows and the discipline accommodates an increasing amount of quantitative techniques.

'Macmillan Studies in Economics' is a new series which sets out to provide the student with short, reasonably critical surveys of the developments within the various specialist areas of theoretical and applied economics. At the same time, the studies aim to form an integrated series so that, seen as a whole, they supply a balanced overview of the subject of economics. The emphasis in each study is upon recent work, but each topic will generally be placed in a historical context so that the reader may see the logical development of thought through time. Selected bibliographies are provided to guide readers to more extensive works. Each study aims at a brief treatment of the salient problems in order to avoid clouding the issues in detailed argument. Nonetheless, the texts are largely self-contained, and presume only that the student has some knowledge of elementary micro-economics and macro-economics.

Mathematical exposition has been adopted only where necessary. Some recent developments in economics are not readily comprehensible without some mathematics and statistics, and quantitative approaches also serve to shorten what would otherwise be lengthy and involved arguments. Where authors have found it necessary to introduce mathematical techniques, these techniques have been kept to a minimum. The emphasis is upon the economics, and not upon the quantitative methods. Later studies in the series will provide analyses of the links between quantitative methods, in particular econometrics, and economic analysis.

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# Regional Economic Policy

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# Preface

Regional policy is a pragmatic field of study. We are surrounded in our daily lives by problems of location, and public authorities face recurrent demands concerning the spatial distribution of resources. Sometimes the problems involve the exploitation of opportunities, such as the opening up of a new regional market; sometimes (and more important from a social viewpoint) they involve rectifying existing problems, such as localised unemployment and metropolitan congestion. Either way, an understanding of the spatial aspect of economic systems is a prerequisite for responsible decision-making. This essay deals with some of the most important issues.

I feel that the subject of regional policy requires more attention from academics and policy-makers. Even an elementary understanding of the spatial aspects of a price system reveals systematic tendencies towards non-optimal distribution of resources. The more one studies the subject, the more it becomes apparent that systematic public policy is necessary. Both equity and efficiency considerations demand this intervention in the operations of market economies. The main question is what form such intervention should take.

I am grateful to Professor John Dunning of the University of Reading for stimulating my interest in this field of study, and to Manfred Streit (University of Reading), Tony Thirlwall (University of Kent), Gavan Butler (University of Sydney) and David Pearce (University of Southampton) for their comments on this particular essay. I hope the outcome of it all is to stimulate more discussion, improve the standard of debate and eventually lead to more systematic public policies.

F. J. B. S.