

Editor's Introduction

This second issue of *Ekonomi-tek* presents papers with a theoretical basis that continue our mission to provide frameworks for understanding today's economic ills and to suggest solutions and policies to address these troubling times.

The “great recession” that followed the financial crisis of 2008-2009 has given rise to contentious debates about the wisdom of the stimulus measures undertaken by many governments trying to jump-start their economies. Central to these debates has been the issue of public investment, specifically its quality and sources of financing against the backdrop of overall state spending. The first paper in this journal focuses on this very topic: Mustafa İsmihan and Gülçin Özkan compare and assess two fiscal regimes, one based on a balanced budget with tax financing, the other following the so-called golden rule using debt financing. The authors conclude that not only the level of public investment but also its rate of return and productivity should be taken into account by policymakers.

In Turkey, as a developing country, which supply-side factors stand out as being better able to enhance growth prospects? A follow-up concern is how to decide which sources of growth should be supported and encouraged by the government. The second paper in this issue is by Erinç Yeldan, who seeks to answer the above questions. More explicitly, within the context of an endogenous growth model, he asks whether human capital formation through education, or research and development (R&D) activities should be promoted through subsidies to foster capital accumulation and growth. The author comes to the conclusion that governments should promote human capital accumulation through education in the short to medium term and R&D activities in the medium to long term.

Looming deficits in national pension systems caused by demographic shifts and related worries have an important place on the agenda of economists and policymakers. In the third paper of this issue, Miryam de la Concepción González-Rabanal and Luis M^a Sáez de Jáuregui Sanz examine the possibly discriminatory effect of European Union laws governing pension plans. The authors assess the effects of such laws not only in their own country, Spain, but also in France, Germany, Italy, Sweden and the United Kingdom. They find that there is indeed discrimination against women and

that it rises in tandem with the retirement age. It should be noted that this unequal treatment of women has been a consequence of women surviving longer than men on average.

This second issue of *Ekonomi-tek* has been somewhat delayed in getting out to you, our readers. The summer holiday slowed down every aspect of our production process including reviewing, revising and editorial work. But that is now behind us and we look forward to providing you with stimulating articles in the future.

With the hope of meeting you in the coming issues.....

Ercan Uygur

Editor

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