

THE 24/7 ECONOMY

24/7. That's the way the economy works. While you're sleeping, workers in Malaysia are assembling the electronic circuits that will instruct your alarm clock to go off, relay the news via satellite TV or radio, enable video presentations in class or at remote locations, and help retrieve music files on the iPod you carry around. If you live in eastern Canada, Norwegian and Algerian oil workers are pumping oil that will fuel your drive to class. Ethiopian farmers are harvesting the coffee beans that will help keep you alert. Traders in London, Hong Kong, and Tokyo are pushing the value of the dollar up or down, changing the cost of travel and trade. In an increasingly globalized economy, the economy truly never sleeps. It's in motion 24 hours a day, 7 days a week.

All of this perpetual motion makes teaching economics increasingly difficult. The parameters of the economy are constantly changing. Interest rates are up one day, down the next. The same with oil prices. Inflation looks worrisome one month and benign the next. Job growth looks great one month, then dismal the next. Even economists at Canada's central bank—the Bank of Canada—have trouble keeping track of all these (changing) data, much less the direction of the economy.

At the micro level, incessant changes in the economy create similar problems. Market structures are continuously evolving. Products are always changing. With those changes, even market boundaries are on the move. Is your local cable franchise really a monopoly when satellite and Internet companies offer virtually identical products? Will Apple Computer, Inc., with a 70 percent market share in the portable MP3-player market, behave more like a monopolist or like a perfect competitor? With the Internet creating *global* shopping malls, how should industry concentration ratios be calculated? Canadian regulatory agencies are continuously challenged by ever-changing market boundaries and structures.

There is no less change at the macro level. Federal, provincial, and territorial governments alter their fiscal approaches, the Bank of Canada adjusts the overnight interest rate to control inflation, the Canadian dollar rises to \$1.10 (\$US) and then falls to \$0.98 (\$US), new trade agreements are signed and trade disputes happen. At the same time, the Canadian macroeconomy reacts to similar changes in other countries; to changes of policy, changes in government direction, and changes to the domestic economic activity of our trade partners. What occurs outside of Canada can alter the economic activity inside Canada.

Coping with Change

So how do we cope with all this flux in the classroom? Or, for that matter, in a textbook that will be in print for three years? We could ignore the complexities of the real world and focus exclusively on abstract principles, perhaps “enlivening” the presentation with fables about the Acme Widget Company or the Jack and Jill Water Company. That approach not only bores students, but it also solidifies the misperception that economics is irrelevant to their daily life. Alternatively, we could spend countless hours reporting and discussing the economic news of the day. But that approach transforms the principles course into a current-events symposium.

The Macro Economy Today pursues a different strategy. We are convinced that economics is an exciting and extremely relevant field of study and have felt this way since our first undergraduate principles course. For at least two of us, we somehow discerned that economics could be an interesting topic despite an overbearing textbook and a super-sized class (over 250 students). All it needed was a commitment to merging theoretical insights with the daily realities of shopping malls, stock markets, global integration, and policy development. Whew!

What Makes Economics Tick

How does this lofty ambition translate into the nuts and bolts of teaching? It starts by infusing the textbook and the course with a purposeful theme. Spotting scarcity and the necessity for choice is not enough; there's a much bigger picture. It's really about why some nations prosper while others languish. As we look around the world, how can

we explain why millionaires abound in Canada, the United States, Hong Kong, the United Kingdom, and Australia, while 2.8 *billion* people live on less than \$2 a day? How is it that affluent consumers in developed nations carry around videophones while one-fourth of the world's population has never made a phone call? Surely, the way an economy is structured has something to do with this. At the micro level, Adam Smith taught us long ago that the degree of competition in product markets affects the quantity, quality, and price of consumer products.

At the aggregate level, we've also seen that macro structure matters. Specifically, we recognize that the degree of government intervention in an economy is a critical determinant of its performance. The Chinese Communist Party once thought that central control of an economy would not only reduce inequalities but also accelerate growth. Since decentralizing parts of its economy, freeing up some markets, and even legalizing private property (see the World View box, p. 18), China has become the world's fastest-growing economy. India has heeded China's experience and is also pursuing a massive privatization and deregulation strategy (World View, p. 11).

This doesn't imply that *laissez faire* is the answer to all of our economic problems. What it does emphasize, however, is how important the choice between market reliance and government dependence can be.

We know that the three core questions in economics are WHAT, HOW, and FOR WHOM to produce. Instead of discussing them in a political and institutional void, we should energize these issues with more real-world context. We should also ask who should resolve these core questions, the governments or the marketplace? Where, when, and why do we expect market failure—suboptimal answers to the WHAT, HOW, and FOR WHOM questions? Where, when, and why can we expect government intervention to give us better answers—or to fail? This theme of market reliance versus government dependence runs through every chapter of *The Macro Economy Today*.

Within the two-dimensional framework of three core questions and markets-versus-governments decision making, *The Macro Economy Today* pursues basic principles in an unwavering real-world context. The commitment to relevance is evident from the get-go. At the outset, DaimlerChrysler's tradeoff between producing gas-guzzling SUVs or gas-sipping subcompact cars (p. 4) illustrates the concept of opportunity cost in a meaningful context. The discussion also highlights the "economic way of thinking" by documenting the relevant information required to make an informed decision. The recent controversy surrounding the federal government's decision to offer rebates to fuel-efficient automobiles (see the Applications box, p.16) integrates the market reliance vs. government dependence theme. In an effort to provide consumers with an incentive to reduce pollution, has the policy inadvertently favoured one automobile manufacturer over another? These kinds of concrete, page-one examples motivate students to learn *and retain* core economic principles.

In macro, we begin by emphasizing the macroeconomic system in Chapter 3 rather than waiting until the end of the text to put everything together. The macroeconomy that is discussed on television, in newspapers, by policy makers and activists isn't a single entity at all, but a number of smaller components—markets or economies—that collectively constitute the whole macro economy. The four components addressed in this text are the real economy, the labour market, the monetary economy, and the foreign economy. While each will be examined individually, we must also consider how each is impacted by and impacts each other component.

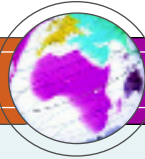
After Chapter 4 presents the basic vocabulary and process of measuring the real economy, we immediately dive into three of the most "present" and pressing concerns of macroeconomics: unemployment, inflation, and economic growth. But students aren't motivated to learn the origins or potential solutions for these concerns just by citing the latest economic statistics (yawn). Most students don't have enough personal experience to understand why 12 percent unemployment, 5 percent inflation, or 0 percent real economic growth are *serious* concerns. To fill that void, *The Macro Economy*

Markets vs. Government

Real-World Concerns

Macro Realities

WORLD

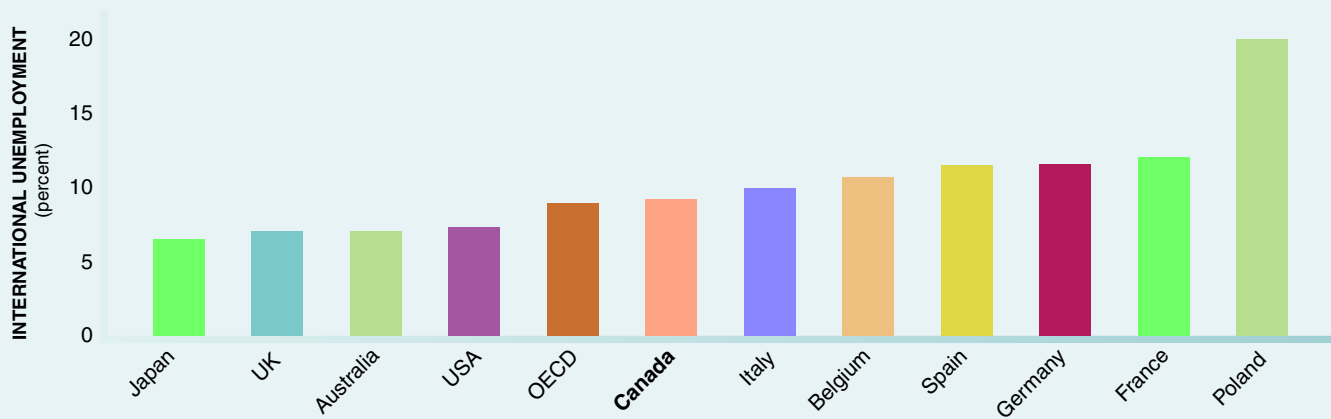


VIEW

An International Comparison of Unemployment Rates

The unemployment rate varies in different countries around the world because of differences in economic activity and growth, as well as differences in labour market policies—the level of income replacement and the ease of getting it.

Source: *OECD in Figures: Statistics on the Member Countries—2005*. Organization of Economic Cooperation and Development. <http://www.oecd.org>. ©OECD, 2007.



Analysis: Unemployment rates are typically significantly higher in Europe and Canada than in the United States. Analysts blame both sluggish economic growth and high unemployment benefits.

Today takes students on a tour—telling stories—of unemployment, inflation, and economic growth.

In Chapter 5, they see unemployment statistics translate into personal tragedies and social tensions. They see that unemployment isn't experienced equally by age group, by level of education or by the province where they live (Figure 5.4, p. 94) and how devastating the human costs can be (pp. 96–97). Students will also place Canada's unemployment problem in a broader context through the World View on page 96.

In Chapter 6, the devastation wrought by an inflation rate greater than 200 percent per year in Zimbabwe (Applications box, p. 105) and the redistributive effects of even low levels of inflation (p. 107) drives home the realization that price level changes matter. Chapter 7 takes a longer-term view of economic growth and productivity. Students may feel somewhat hostile to the concept of economic growth because of worries like climate change, pollution, and sustainability. However, without ignoring these important concerns, economic growth and productivity can be demonstrated to be both important and desirable. Growth and productivity can raise standards of living and reduce poverty—helping to create opportunity for the more than 1 billion people in the world surviving on \$1 a day (World Bank, 2001). These three chapters lay a global, historical, and personal foundation that gives purpose to the study of macro theory. Few other texts lay this foundation.

Part 3 constructs the workhorse model used in modern macroeconomics: Aggregate Supply and Aggregate Demand. What is unusual in this text is that our model includes both the short-run aggregate supply and long-run aggregate supply curves in each graph. Even when the discussion is focused on short-run deviations, it is important to remind students that the long-run still matters. Chapter 8 builds the complete model and includes a clear and step-by-step algebraic presentation of the model. Students see the

model built once and used in one consistent format. Chapter 9 focuses on “change and adjustment” in the model and where the economy, though working as we would expect it, can result in undesirable outcomes. Applications and World View presentations help students connect the theory discussions to current news headlines and remind them of the real-world relevancy of these core macro concepts. Chapter 10 takes a closer look at the role of government and the operation of fiscal policy—taxes and government spending—and the implications of those policy choices. Chapter 11 illustrates the annual consequences of taxing and spending policies through the government budget balance—deficit or surplus—and through the economic “burden” of the public debt.

Part 4 turns the spotlight on the monetary economy. Chapter 12 starts by explaining the role and function of money in our economy—whether the money was printed by the Canadian mint, or by the Salt Spring Island Monetary Foundation (SS IMF, see Web-note, p. 242) the role and function are the same. The chapter also provides an overview of Canada’s commercial banks and financial institutions. Chapter 13 describes the development of the Bank of Canada from its creation in 1934 to today and the policy goal and instruments of monetary policy—controlling the supply of money available to the Canadian economy. The “monetary transmission mechanism” provides students with a connection between the monetary and real economies and between fiscal and monetary policy and the implications for the macroeconomy.

Part 5 contains only one chapter, but it is another important “connector” chapter. Chapter 14 takes an in-depth look at the supply side of the economy and the role of expectations—what household and firm decision-makers *think* will happen. This chapter will also take a look at how getting more folks into classrooms can be good for the macroeconomy.

Finally, Part 6 completes the components making up the macroeconomic system by discussing the foreign economy. The international trade chapter (15) not only introduces students to a basic model of trade and explains the core concepts of comparative advantage and absolute advantage, but does so by incorporating concerns about globalization, climate change, poverty, and increasing development and opportunity for those around the world who don’t share the standard of living many of us take for granted. By identifying the vested interests, political compromises, and the myths that support resistance to trade, *The Macro Economy Today* bridges the gap between abstract free-trade models and real-world trade disputes. Students see not only why trade can be a solution rather than a problem, but also how and why we pay for trade barriers. Chapter 16 describes international finance: Canada’s international balance of payments, exchange rates (the external value of the Canadian dollar) and fixed versus flexible exchange rate regimes. We also briefly examine how trade and exchange rates act in a small open economy like Canada and if globalization might be creating a “deadly brew for national currencies” (Applications box, p. 362) and if a “common currency” (like the Euro) might be better.

The bottom line here is simple and straightforward: *by infusing the presentation of core concepts with a unifying theme and pervasive real-world application, The Macro Economy Today offers an exciting and motivated introduction to macroeconomics.* This is the kind of reality-based instruction today’s students need to think about newspaper headlines through the critical context *thinking like an economist* can bring.

EFFECTIVE PEDAGOGY

Despite the abundance of real-world applications, this is at heart a *principles* text, not a compendium of issues. Good theory and interesting applications are not mutually exclusive. This is a text that wants to *teach macroeconomics*, not just increase awareness of policy issues. To that end, *The Macro Economy Today* provides a logically organized and uncluttered theoretical structure for macro and international theory. What distinguishes this text from others on the market is that it conveys theory in a lively, student-friendly manner.

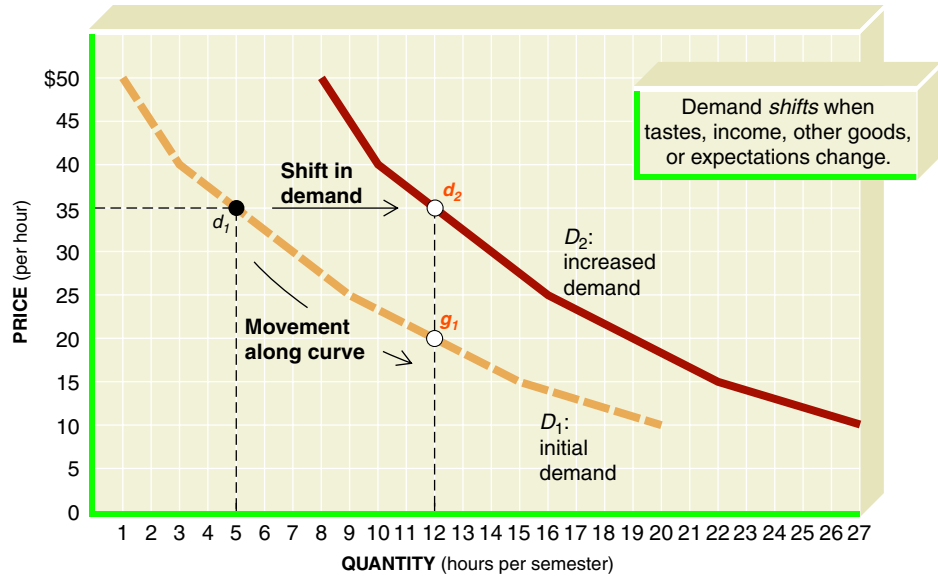
International Realities

Clean, Clear Theory

FIGURE 2.3
Shifts vs. Movements

A demand curve shows how a consumer responds to price changes. If the determinants of demand stay constant, the response is a *movement* along the curve to a new quantity demanded. In this case, the quantity demanded increases from 5 (point d_1), to 12 (point g_1), when price falls from \$35 to \$20 per hour.

If the determinants of demand change, the entire demand curve *shifts*. In this case, an increase in income increases demand. With more income, Tom is willing to buy 12 hours at the initial price of \$35 (point d_2), not just the 5 hours he demanded before the lottery win.



| | Price (per hour) | Quantity Demanded (hours per semester) | |
|---|------------------|--|--------------------------|
| | | Initial Demand | After Increase in Income |
| A | \$50 | 1 | 8 |
| B | 45 | 2 | 9 |
| C | 40 | 3 | 10 |
| D | 35 | 5 | 12 |
| E | 30 | 7 | 14 |
| F | 25 | 9 | 16 |
| G | 20 | 12 | 19 |
| H | 15 | 15 | 22 |
| I | 10 | 20 | 27 |

Concept Reinforcement

Student comprehension of core theory is facilitated with careful, consistent, and effective pedagogy. This distinctive pedagogy includes the following features:

Self-Explanatory Graphs and Tables

Graphs are *completely* labelled, colourful, and positioned on background grids. Because students often enter the principles course as graph-phobics, graphs are frequently accompanied by synchronized tabular data. Every table is also annotated. This shouldn't be a product-differentiating feature but, sadly, it is. Putting a table in a textbook without an annotation is akin to writing a cluster of numbers on the board, then leaving the classroom without any explanation.

Reinforced Key Concepts

Key terms are defined in the margin when they first appear and included in a glossary for easy reference. Web site references are directly tied to the book's content, not hung on like ornaments. End-of-chapter discussion questions use tables, graphs, and boxed news stories from the text, reinforcing key concepts.

Boxed and Annotated Applications

In addition to the real-world applications that run through the body of the text, *The Macro Economy Today* intersperses boxed domestic (Applications) and global (World View) case studies. Although nearly every text on the market now offers boxed applications, *The Macro Economy Today's* presentation is distinctive. First, the sheer number of Applications (46) and World View (37) boxes is unique. Second, and more important,

every boxed application is referenced in the body of the text. Third, every Applications and World View comes with a brief, self-contained explanation. Fourth, the Applications and World View boxes are the subject of the end-of-chapter Discussion Questions and Student Problem Set exercises. In combination, these distinctive features assure that students will actually read the boxed applications and discern their economic content. The *Test Bank* also provides subsets of questions tied to the Applications and World View boxes so that instructors can confirm student use of this feature.

A mini Web site directory is provided in each chapter's marginal Web Notes. These URLs aren't random picks; they were selected because they let students extend and update adjacent in-text discussions.

The text presentation is also enlivened with occasional photos and cartoons that reflect basic concepts. The “Boxing Day Madness” photograph (Applications, p. 44) is a vivid testimony to how goods are often allocated when demand exceeds supply. The “Happy Map” (p. 84) more strikingly illustrates the standard-of-living differences around the world than a table of “World Bank” data. The cartoon on page xvii reminds students that not all economists are of the same mind. Every photo and cartoon is annotated and referenced in the body of the text. These visual features are an integral part of the presentation, not diversions.



Photo from CBC News, <http://www.cbc.ca/money/story/2006/12/26/shopping-boxing.html>

In reviews for the early draft of this first Canadian edition of *The Macro Economy Today*, the text was described as “concise and to the point,” “engaging,” and a text that “students would be inclined to read.” The writing style is lively and issue-focused. Unlike other textbooks on the market, every boxed feature, every graph, every table, and every cartoon is explained and analyzed. Every feature is also referenced in the text, so students actually learn the material rather than skipping over it. Because readability is ultimately in the eye of the beholder, you might ask a couple of students to read and compare an analogous chapter in *The Macro Economy Today* with that of another text. This is a test that we feel confident *The Macro Economy Today* will win.

We firmly believe that students must *work* with key concepts in order to really learn them. Homework assignments are *de rigueur* in our own classes. To facilitate homework assignments, we have prepared the *Student Problem Set*, which includes built-in numerical and graphing problems that build on the tables, graphs, and boxed material in each chapter. Grids for drawing graphs are also provided. The Student Problem Set is located at the end of this book. (Answers are available in the *Instructor's Resource Manual*, in downloadable form on the book's Web site).

All of these pedagogical features add up to an unusually supportive learning context for students. With this support, students will learn and retain more economic concepts—and maybe even enjoy the educational process.

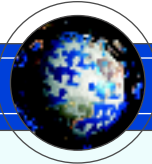
Web Notes

Photos and Cartoons

Readability

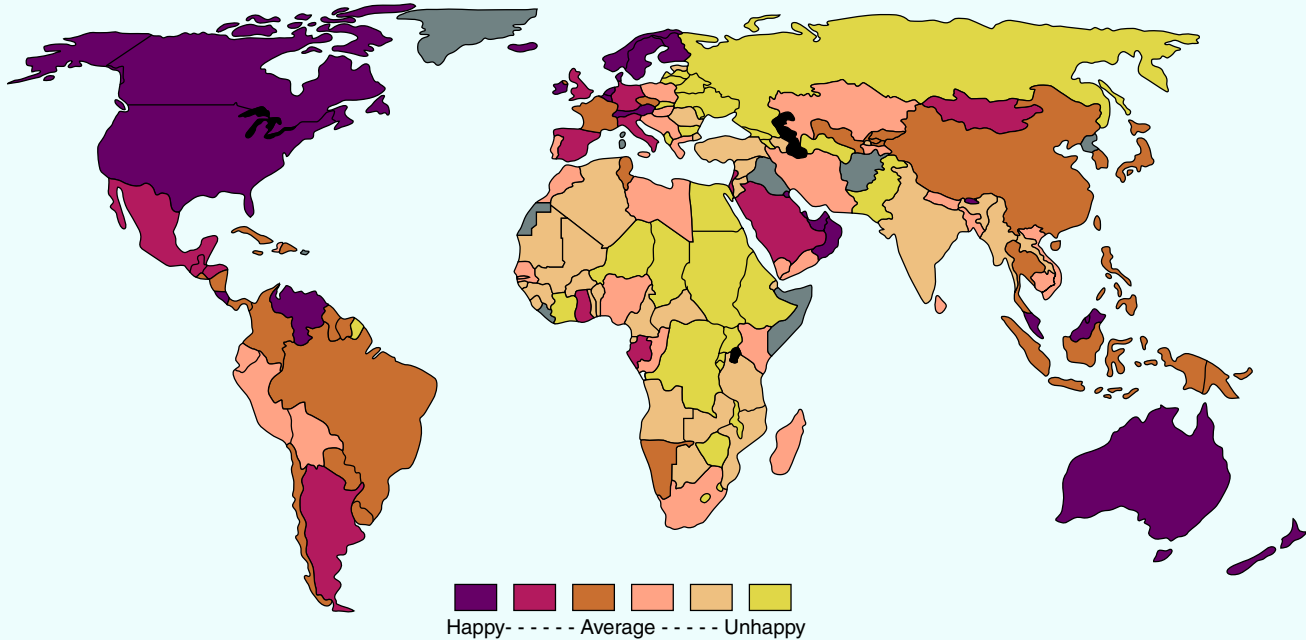
Student Problem Set

APPLICATIONS



Canada Ranks 10th on “Happy Map”

**A Global Projection of Subjective Well-Being:
The First Published Map of World Happiness**



Map created by Adrian White, Analytic Social Psychologist, University of Leicester (2006)
 Map and further analysis incorporates data published by UNESCO, the WHO, the New Economics Foundation, the Veenhoven Database, the Latinbarometer, the Afrobarometer, the CIA, and the UN Human Development Report.
 Source: Adrian White, University of Leicester, 2006.

TORONTO—Canada has made the top 10 on a “world map of happiness,” which rates 178 countries ranging from Albania to Zimbabwe on their populations’ overall sense of well-being.

Ranked 10th in the world, Canada scored high on the map’s three major measures of happiness—health, wealth and access to education, said one of its creators, Adrian White of the University of Leicester in England.

Mr. White, an analytic social psychologist who is working towards his PhD, believes the map is the first to illustrate levels of happiness and well-being on such a global scale.

“I don’t know if it’s been the same in Canada, but recently there’s been a lot of political interest in looking at happiness as a measure of a country’s performance, rather than just GDP [gross domestic product],” Mr. White said Thursday from Leicester.

Sheryl Ubelacker

Source: Sheryl Ubelacker, Canadian Press. July 28, 2006. Used with permission of the Canadian Press.

Analysis: Using an index constructed from “health, wealth, and access to education” measures, Adrian White places Canada in 10th place in the world for “happiness.” Perhaps what is more interesting is the consistency across the various measures that Canada is a pretty good place to live.

DISTINCTIVE MACRO

The Macro Economy Today takes a balanced approach in the presentation of different theoretical perspectives, its consistent use of the combined short-run and long-run AS/AD framework, its global perspective, and its explicit juxtaposition of theory and reality.

This tries not to be a highly opinionated text. It doesn't assert that only long-run issues matter or that monetary policy is the only effective lever of short-run stabilization. Rather *The Macro Economy Today* strives to offer students a *balanced* introduction where both short and long-run concerns matter and an array of competing viewpoints need to be considered. Each competing theory is presented in their best possible light, and then subjected to comparative scrutiny. This approach reflects our belief that students need to be exposed to a variety of perspectives—and see the development of those perspectives in some historical context—if they're to understand the range and intensity of ongoing public policy debates. Maybe we can't always answer the question posed in the accompanying cartoon with certainty. But our students should at least know that the question is legitimate.

Too many textbooks still treat the aggregate supply/aggregate demand (AS/AD) framework as a separate theory. The AS/AD model is *not* a separate theory; it is just a convenient framework for illustrating macro theories in a world of changing prices. As David Colander suggests (p. 52), the AS/AD model helps principles teachers tell effective stories. *The Macro Economy Today* also consistently presents the AS/AD model with both the short-run and long-run aggregate supply curve marked. As with the larger macroeconomic system, the full implications of AS/AD cannot be understood without recognizing that policy choices have impacts over both “runs”.

The AD multiplier effects are illustrated in Figure 9.10 (p. 191) as sequential AD shifts and measured along a horizontal plane at the prevailing price level (P_0). But each graph also spotlights the fact that AD shifts have both price and output effects (e.g., Figure 10.3, p. 206). Students should *start* their macro tour with this real-world perspective.

In view of the upfront AS/AD depiction of the multiplier, the macro presentation is now exclusively rendered in the context of AS/AD model. This greatly simplifies the presentation for students, who often got lost shuttling between two distinct models, sometimes in the same chapter. Since students have never encountered the Keynesian Cross model, they won't miss it in *The Macro Economy Today*. For instructors who still want to use it, the Keynesian Cross is now contained in the appendix to Chapter 8. As that Appendix explains, the two models are simply different paths for reaching the same conclusions. The advantage of the AS/AD framework is that it generates more useful policy guidelines in a world of changing price levels and policy goals for both the short-run and long-run.

The Macro Economy Today consistently places discussions in the context of global linkages. As a small open economy, Canada's economy is impacted by and reacts to international events and economic changes and policies in other countries. The Bank of Canada always looks over its collective shoulder at global markets when making decisions on domestic monetary policy. The impact of changing interest rates on the external value of the dollar and global money flows is always a concern. Likewise, the effectiveness of fiscal-policy initiatives is sensitive to potential “export leakage” and other trade effects. We want students to be constantly aware of how world events impact Canada's economy and constrain Canada's policy choices.

DISTINCTIVE INTERNATIONAL

Canada is a relatively small economy and open to the world. This openness is highlighted by including the global economy in every chapter of *The Macro Economy Today*.

The most visible evidence of this globalism is in the 37 World View boxes that are distributed throughout the text. As noted earlier, these boxed illustrations offer specific

Balance Macro Theory



Analysis: There are different theories about when and how the government should “fix” the economy. Policymakers must decide which advice to follow in specific situations.

World Views

global illustrations of basic principles. To facilitate their use, every World View has a brief caption that highlights the theoretical relevance of the example. The *Test Bank* and Student Problem Set also offer questions based on the World Views.

Vested Interests

Consistent with the reality-based content of the entire text, the discussion of international trade goes beyond basic principles to policy trade-offs and constraints. It's impossible to make sense of trade debates and trade policy without recognizing the vested interests that battle trade principles. Chapter 15 emphasizes that there are both winners and losers associated with every change in trade flows. While DaimlerChrysler works on an agreement to import sub-compact cars from China to benefit Canadian consumers, (see the Applications box on page 325), the Canadian Auto Workers raise concerns about potential job losses in Ontario. Because vested interests are typically highly concentrated and well organized (a single industry group or trade union), they can often bend trade rules and promote policies to their advantage. Trade disputes over appliances “dumped” into Canada, softwood lumber exports to the United States and import restrictions on a key ingredient used to produce cheese help illustrate the realities of trade policy. The on-going protests against the World Trade Organization (WTO) and the North American Free Trade Agreement (NAFTA) are also assessed in terms of competing interests.

Free trade is also not just about Canada and other countries. British Columbia and Alberta recently enacted a Trade, Investment, and Labour Mobility Agreement (TILMA) that “aims to slash trade barriers [between the provinces] and red tape and increase labour mobility in a bid to create the country’s second largest economic trade zone behind Ontario.”¹ However, this free trade initiative within Canada is also controversial and so far no other provinces have joined.

TECHNOLOGY SOLUTIONS



Lyryx Assessment for Economics is a leading-edge online assessment program designed to support both students and instructors. The assessment takes the form of a homework assignment called a Lab. The assessments are algorithmically generated and automatically graded so that students get instant grades and detailed feedback. New Labs are randomly generated each time, providing the student with unlimited opportunities to try a question. After they submit a Lab for marking, students receive extensive feedback on their work, thus enhancing their learning experience.

For the Student: Lyryx Assessment for Economics offers algorithmically generated and automatically graded assignments. Students get instant grades and instant feedback—no need to wait until the next class to find out how well they did! Grades are instantly recorded in a grade book that the student can view.

Students are motivated to do their labs for two reasons: first because it can be tied to assessment, and second, because they can try the lab as many times as they wish prior to the due date with only their best grade being recorded.

Instructors know from experience that if students are doing their economics homework, they will be successful in the course. Recent research regarding the use of Lyryx has shown that when labs are tied to assessment, even if worth only a small percentage of the total grade of the course, students WILL do their homework—and MORE THAN ONCE!

For the Instructor: The goal of Lyryx Assessment for Economics is for instructors to use the labs for course marks instead of creating and marking their own assignments, saving instructors and teaching assistants valuable time which they can use to help students directly. After registering their courses with Lyryx, instructors can create labs of their choice by selecting problems from our bank of questions, and set a deadline for each one of these labs. The content, marking, and feedback of the problems has been developed and implemented with the help of experienced instructors in economics.

¹See the Application on page 333 “B.C. Premier shines spotlight on free trade”.

Instructors have access to all their students' marks and can view their labs. At any time, the instructors can download the class grades for their own programs.

Please contact your *i*Learning Sales Specialist for additional information on the Lyryx Assessment Economics system.

Visit <http://lyryx.com>

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This exciting and innovative online study guide provides students with a completely new way to learn. The motivating interactive exercises are not only enjoyable, but ensure the students' active involvement in the learning process, boosting their ability to retain and apply key concepts. Each chapter of *i*Study includes a chapter quick review, learning objectives, a puzzle using key terms, true and false questions, multiple choice questions, problems and applications with instant feedback, and a glossary available as downloadable MP3 audio files.

To see a sample chapter, go to the Online Learning Centre at www.mcgrawhill.ca/olc/schiller. Full access to *i*Study can be purchased at the Web site or by purchasing a pin code card through your campus bookstore.

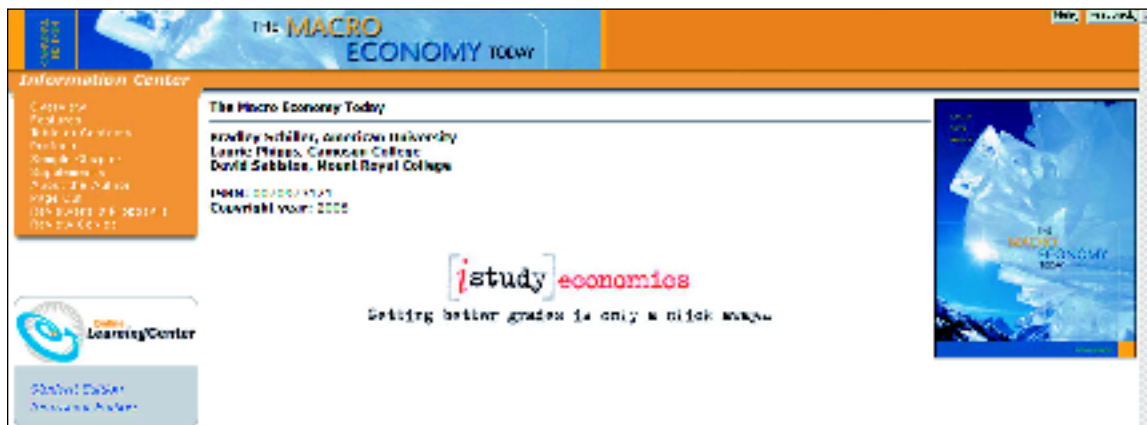
Instructors: Contact your *i*Learning Sales Specialist for additional information regarding packaging access to *i*Study with the student text.

The Online Learning Centre (OLC) offers learning aids such as access to Σ -Stat and the CANSIM II database, self-grading multiple-choice and true-or-false questions. *The Macro Economy Today* OLC is located at www.mcgrawhill.ca/olc/schiller.

iStudy



Student Online Learning Centre (OLC)



Σ -STAT is Statistics Canada's education resource that allows you to view socio-economic and demographic data in charts, graphs, and maps. Access to Σ -STAT and the CANSIM II database is made available from this Web site by special agreement between McGraw-Hill Ryerson and Statistics Canada to purchasers of the Schiller textbook. Please visit the Online Learning Centre for additional information.

Σ -STAT

Instructor's Online Learning Centre (OLC)



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SUPPORT FOR THE INSTRUCTOR

The OLC includes a password-protected Web site for Instructors; visit us at www.mcgrawhill.ca/olc/schiller. The site offers downloadable supplements and PageOut, the McGraw-Hill Ryerson course Web site development centre.

News Flashes. The U.S. author, Brad Schiller, writes two-page News Flashes that discuss major economic events as they occur. Many of these deal with international events and provide excellent lecture material that can be copied for student use. They will be posted to the Instructors portion of the OLC as they become available so check back often.

Available on the Online Learning Centre

U.S. author, Brad Schiller, is a leading authority in Global Poverty and introduces it to the principles course with this new chapter. An array of global data, theory, and policy combine to make an engaging and eye-opening study of this world-wide issue.

Instructor's Resource Manual. The Canadian authors have prepared the *Instructor's Resource Manual*.

The *Instructor's Resource Manual* is also available online, and it includes chapter summaries, "lecture launchers" to stimulate class discussion, and media exercises to extend the analysis. Other features include a section that details common misconceptions regarding the material in a particular chapter; learning outcomes of the chapter; and answers to the Questions for Discussion and the Student Problem Sets. Also, there are debate projects found in the *Instructor's Resource Manual*. In addition, there is a photocopy-ready Print Media Exercise for each chapter.

Computerized Test Bank. Author David Sabiston, Mount Royal College, adapted the *Test Bank* for the Canadian edition. He assures a high level of quality and consistency of the test questions and the greatest possible correlation with the content of the text as well as the *iStudy*. All questions are coded according to level of difficulty and have a text-page reference where the student will find a discussion of the concept on which the question is based. The computerized *Test Bank* is available in EZ Test, a flexible and easy-to-use electronic testing program. EZ Test can produce high-quality graphs from the test banks and feature the ability to generate multiple tests, with versions "scrambled" to be distinctive. This software will meet the various needs of the widest spectrum of computer users. The computerized test bank is offered in micro and macro versions, each of which contains nearly 4,000 questions including over 200 essay questions.

PowerPoint Presentations. Angela Chow, Centennial College, prepared presentation slides using Microsoft PowerPoint software. These slides are a step-by-step review of the key points in each chapter, and use animation to show students how graphs build and shift.

Image Bank. All figures and tables are available in digital format in the Instructor's CD and the Online Learning Centre.

COURSE MANAGEMENT

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