

# Preface

Economics is much too interesting to be left to professional economists. It affects almost everything we do, not merely at work or at the shops but also in the home and the voting booth. It influences how well we look after our planet, the future we leave for our children, the extent to which we can care for the poor and the disadvantaged, and the resources we have for enjoying ourselves.

These issues are discussed daily, in bars and on buses as well as in cabinet meetings and boardrooms. The formal study of economics is exciting because it introduces a toolkit that allows a better understanding of the problems we face. Everyone knows a smoky engine is a bad sign, but sometimes only a trained mechanic can give the right advice on how to fix it.

This book is designed to teach you the toolkit and give you practice in using it. Nobody carries an enormous toolbox very far. Useful toolkits are small enough to be portable but contain enough proven tools to deal both with routine problems and unforeseen circumstances. With practice, you will be surprised at how much light this analysis can shed on daily living. This book is designed to make economics seem as useful as it really is.

## How much do economists disagree?

There is an old complaint that economists never agree about anything. This is simply wrong. The media, taxi-drivers and politicians love to talk about topics on which there is disagreement; it would be boring TV if all participants in a panel discussion held identical views. But economics is not a subject in which there is always an argument for everything. There are answers to many questions. We aim to show where economists agree – on what and for what reason – and why they sometimes disagree.

## Economics in the 21st century

Our aim is to allow students to understand today's economic environment. This requires mastering the theory and practising its application. Just as the theory of genetics or information technology is slowly progressing, so the theory of economics continues to make progress, sometimes in dramatic and exciting ways.

We believe in introducing students immediately to the latest ideas in economics. If these can be conveyed simply, why force students to use older approaches that work less well? Two recent developments in economics underlie much of what we do. One is the role of information, the other is globalization.

How information is transmitted and manipulated is central to many issues in incentives and competition, including the recent booming e-commerce. Ease of information, coupled with lower transport costs, also explains trends towards globalization, and associated reductions in national sovereignty, especially in smaller countries. Modern economics helps us make sense of our changing world, think about where it may go next, and evaluate choices that we currently face.



## PREFACE

### Learning by doing

Few people practise for a driving test just by reading a book. Even when you think you understand how to do a hill start, it takes a lot of practice to master the finer points. In the same way, we give you lots of examples and real-world applications not just to emphasize the relevance of economics but also to help you master it for yourself. We start at square one and take you slowly through the tools of theoretical reasoning and how to apply them. We do not use algebra and there are very few equations in the book. The best ideas are simple and robust, and can usually be explained quite easily.

### How to study

Don't just read about economics, try to do it! It is easy, but mistaken, to read on cruise control, highlighting the odd sentence and gliding through paragraphs we have worked hard to simplify. Active learning needs to be interactive. When the text says 'clearly', ask yourself 'why' is it clear? See if you can construct the diagram before you look at it. As soon as you don't follow something, go back and read it again. Try to think of other examples to which the theory could be applied. The only way to check you really understand things is to try the review questions and see if you get the right answer. The ninth edition has comprehensive answers, which you will find on pages xxx-xx. You can also explore the online resources centre that accompanies this book for extra learning resources, and may also wish to consider using the student workbook that accompanies this text.

To assist you in working through this text, we have developed a number of distinctive study and design features. To familiarize yourself with these features, please turn to the Guided Tour on pages xvi-xvii.

### Changes to the ninth edition

The ninth edition has been thoroughly revised, even though we have kept to the familiar and proven structure, to ensure that it keeps up with the latest thinking about our evolving world and the way in which economics can make sense of it.

Specific changes to the new edition include:

- Substantial new material on the economic effects of climate change.
- A thoroughly revised and updated Chapter 36 on poverty, development and globalization.
- New Activity Boxes added to each chapter, to encourage students to apply their learning of economics to the real world.
- New graded review questions, to create flexibility in the level and pace at which students learn and apply economic principles.
- Full updates throughout to include 2007/2008 data in graphs and tables, and many new contemporary boxes to illustrate key ideas with relevance to students.
- Revised design that aims to make the text easier to navigate and use.
- More resources provided for both students and lecturers.





## Supplementary resources

*Economics* ninth edition offers a comprehensive package of resources for the teaching and learning of economics. The resources offered with the new edition have been developed in response to feedback from current users in order to provide lecturers with a variety of teaching resources for class teaching, lectures and assessment. Students are also offered a range of extra materials to assist them in learning, revising and applying the principles of economics.

## Online Learning Centre

An accompanying Online Learning Centre website has been developed to provide an unrivalled package of flexible, high quality resources for both lecturer and student. The ninth edition sees a new range of extra resources with this edition, including an interactive graphing tool, case studies with teaching notes, and enhanced assessment and revision tools, in a choice of delivery formats.

To access all of the free Online Learning Centre resources and to find out about enhanced options, simply visit the website at [www.mcgraw-hill.co.uk/textbooks/begg](http://www.mcgraw-hill.co.uk/textbooks/begg).

To learn more about the resources available to lecturers and students online, go to our tour of the resources on pages xviii–xix (Technology to enhance learning and teaching).

