



Macroeconomics in Context

4th edition

Errata – E-book

Chapter 0

Page 22: The heading for Box 18 should be ‘Subjective Well-Being’ not ‘Health Access and Quality’, which is the heading for Box 17).

The description on ‘What it is’ is correct – this describes the subjective well-being index. But “the results” for Box 18 is incorrect as it repeats the results on healthcare from Box 17. The text for “the results” for Box 18 on ‘Subjective Well-Being’ should read:

The results: According to the most recent data, which cover 149 countries, Finland has the highest level of average subjective well-being. Other relatively happy countries include Denmark, Switzerland, Iceland, and Netherlands. Happiness levels in the United States are about average for a developed country. Happiness levels are relatively low in countries that have recently experienced conflicts such as Afghanistan and Palestinian territories, and in the poorest countries such as Zimbabwe, Rwanda, Malawi, and Haiti.

Chapter 3

Page 109. In line 3 of the paragraph following Table 3.2 and starting with “From the demand schedule, ...”, the word ‘quantity’ has an extra space.

Chapter 4

Page 140 . The key term box for ‘consumer durable goods’ is missing. The following definition should be included:

consumer durable goods: consumer purchases that are expected to last longer than three years. These generally include equipment, such as vehicles and appliances, used by households to produce goods and services for their own use

Page 151. The key term box for ‘gross national income’ is missing. The following definition should be included:

gross national income (GNI): the total amount of money earned by a nation’s people and its businesses

Page 156. The ‘%’ sign at the end of the equation is missing. The equation should read:

$$[(300-250)/250] \times 100 = [50/250] \times 100 = 20\%$$

Page 159. The percentage sign at the end of equation on inflation rate is missing. The inflation rate should be 1.78%.

Page 167. The table for matching columns, in question 10, is missing the numbering on Column B. The rows in column B should be numbered from 1 to 10.

Chapter 5

Page 207: Question 3a ends with an extra ‘b’, which should be deleted.

Page 191. There should be a bullet point before the text starting the paragraph “The **Gross National Happiness (GNH)** concept...” to separate this indicator from the Fleurbaey/Gaulier indicator.

Chapter 8

Page 300. Third paragraph from bottom, starting “While emergencies...”: A chunk of text from a bit lower down (line 4 in the para beginning “Stylized Fact #2”) has been dropped into this paragraph, interrupting the phrase “a major effect on the economy”. The text “The reasoning behind this result is that, as arn” should be removed, and an “r” added at the end of the word “major”, so that the entire paragraph reads:

“While emergencies such as a financial crisis or a pandemic cannot be predicted, and will inevitably have a major effect on the economy, the goal of macroeconomic stabilization policy is to smooth out such variations as much as possible.”

Page 336: The formulae in questions 6 and 7 are a bit confusing, since the consumption formula and the investment formula appear close together on the same line. These two formulae should be separated by moving the investment formula to a separate line.

Chapter 9:

Page 349: The callout for Figure 9.2 is at the beginning of section 1.3, but the figure does not appear until page 353, in section 2, where it is awkwardly right next to Figure 9.3, which relates to a different topic. Figure 9.2 should be placed at the bottom of section 1.3.

Chapter 13

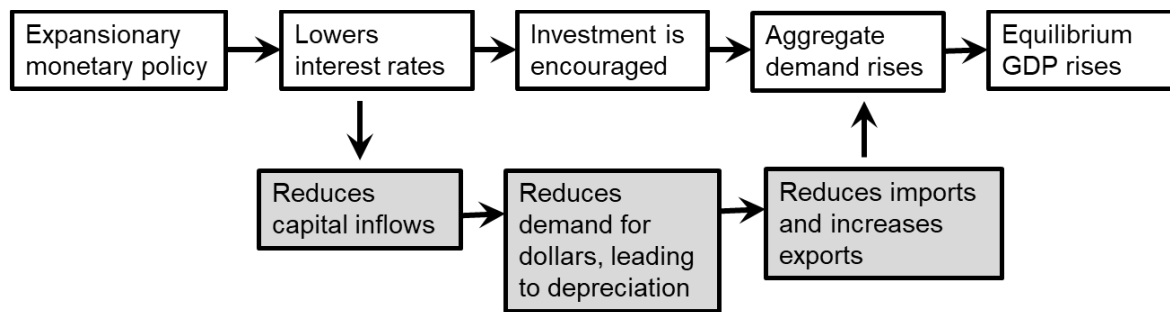
Page 515. In the first equation, the term ‘NY’ should be replaced with ‘NX’ which refers to net exports. The equation should read:

$$S_{\text{total}} = I_{\text{total}} + NX$$

Page 516: Foreign is spelt incorrectly in both equations on this page. The equations should read:

$$S_{\text{total}} = I_{\text{total}} + \text{net foreign lending}$$
$$S_{\text{total}} = I_{\text{total}} + \text{net foreign borrowing}$$

Page 533. The paragraph starting “The openness of the economy....” should be followed by an illustration, which is missing. The following illustration should be added here:



Page 545. The term ‘mpim Y’ is missing in the first equation. The correct equation is:

$$Y - mpc(1-t)Y + mpim Y = C + mpc TR + I_1 + G + X$$

Chapter 14

Page 553. Table 14.1 should appear before Figure 14.1 since the figure is based on the data from the table.

Chapter 16

Page 659: The final paragraph “China’s successes, however.....democratically oriented development” should appear inside the box after the paragraph starting “According to Sen,”. The paragraph starting “The debate on development.....” should be the final paragraph of the chapter.

Chapter 17

Page 681. In line 4 of the paragraph starting “The Stern Review”, the box number should be 17.2, not 18.2.

Page 690. The key term box for steady-state economy is missing. The following definition should be added:

steady-state economy: an economy in which population and the stock of physical capital are held constant, but things such as technology, information, fairness, and wisdom can continue to grow

Page 692. The key term box for degrowth is missing. The following definition should be added:

degrowth: a policy of reducing the level of economic activity to promote environmental sustainability