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Macroeconomics 00/01

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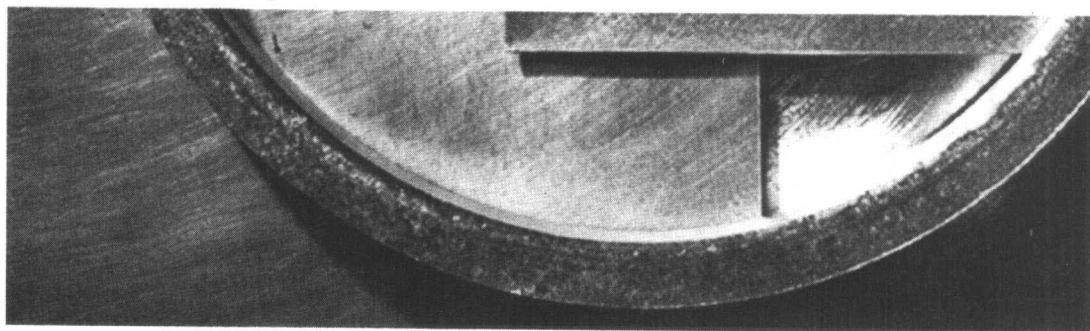
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Macroeconomics

00/01

Thirteenth Edition

DONATION-02



EDITOR

Don Cole

Drew University

Don Cole, Professor of Economics at Drew University, received his Ph.D. from Ohio State University. He has served as consultant to a variety of public and private organizations, and is cofounder of the Drew University Semester on the European Union in Brussels, Belgium. An innovator in the use of computer-assisted instruction in the teaching of economics, Dr. Cole is the author of articles on various subjects, including economic policy, monetary theory, and economic education. He is also the editor of other Dushkin/McGraw-Hill publications, including *The Encyclopedic Dictionary of Economics* and two other *Annual Editions* anthologies, *Economics* and *Microeconomics*.

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New to ANNUAL EDITIONS is the inclusion of related World Wide Web sites. These sites have been selected by our editorial staff to represent some of the best resources found on the World Wide Web today. Through our carefully developed topic guide, we have linked these Web resources to the articles covered in this ANNUAL EDITIONS reader. We think that you will find this volume useful, and we hope that you will take a moment to visit us on the Web at <http://www.dushkin.com> to tell us what you think.

Annual Editions: *Macroeconomics* is an anthology that provides up-to-date readings on contemporary macroeconomic issues. In view of the recent explosion of interest in economics, it is essential that students are given opportunities to observe how economic science can help them to understand major economic events in the real world. *Annual Editions: Macroeconomics 00/01* is designed to meet such a need.

This anthology is divided into six sections, which generally correspond to the typical sequence of topics in macroeconomic textbooks:

Introduction to Macroeconomics. Macroeconomics involves the study of the economy "in the large"; it concerns such broad issues as how gross domestic product, economic growth, unemployment, and inflation are determined. As articles in this section indicate, macroeconomic reasoning can be applied to a vast assortment of "real world" problems.

Measuring Economic Performance. Economists use economic data for the purpose of judging an economy's general health and making informed choices among policy alternatives. This section examines various problems associated with the gathering and interpretation of such data.

Fiscal Policy and the Federal Budget. Articles in this section deal with ways in which the federal government might use its spending and tax programs to achieve various macroeconomic goals. Major emphasis is placed upon issues of tax and budgetary reform.

Money, Banking, and Monetary Policy. Monetary policy involves deliberate changes in the money supply and credit availability for the purpose of achieving macroeconomic goals. This section provides an overview of the U.S. banking

system and an assessment of the effectiveness of monetary policy.

Employment, Prices, and the Business Cycle. A major goal in the implementation of macroeconomic policy is the simultaneous achievement of high employment, stable prices, and vigorous economic growth. Articles selected for this section discuss some theoretical and policy issues involved in improving the economy's performance in these areas.

International Economics. In recent years the global economy has experienced a series of dramatic events unforeseen even a decade ago: the end of the cold war; ambitious market reforms in what were formerly centrally planned economies; an acceleration of the process of economic integration in the Americas, Western Europe, and the Pacific Rim; and increased use of protectionist measures by most major traders. This section examines key aspects of these developments.

Whether you are someone who is currently pursuing studies in economics, or just a casual reader eager to learn more about some of the major economic issues of the day, you will find *Annual Editions: Macroeconomics 00/01* to be one of the most useful and up-to-date anthologies available. Your comments can be very valuable in designing the next edition. Please complete and mail the postpaid rating form at the conclusion of this book and let us know your opinions.



Don Cole
Editor

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1. **Meeting the Challenge of the New Economy**, Michael J. Mandel, *Blueprint*, Winter 1998.

The editor of *Business Week* argues that a **New Economy** has been born, which is transforming America and much of the world at a pace that is scarcely imaginable. How the United States responds to the twin forces of **globalization** and the **information revolution** will help to shape the world economy in the twenty-first century.

2. **The Accidental Inventor of Today's Capitalism**, Louis Uchitelle, *New York Times*, February 21, 1998.

Although he may never have actually used the words "supply creates its own demand," the French historian Jean-Baptiste Say invented a concept (known as **Say's Law**) that continues to influence economic reasoning to the present day. Louis Uchitelle traces the origin and development of this important principle.

3. **Economic Possibilities for Our Grandchildren**, Elizabeth Johnson and Donald Moggridge (eds.), from *Collected Writings of John Maynard Keynes*, Vol. 9, 1978.

In this essay, originally written in 1930, the father of modern macroeconomics predicts the **demise of the economic problem** 100 years from now. Filling leisure time in a meaningful way, John Maynard Keynes contends, will prove to be our grandchildren's chief concern.

4. **What in the World Happened to Economics?** Justin Fox, *Fortune*, March 15, 1999.

Economics is a subject rich in **controversy**. Although most economists speak the same language, disagreements often do occur. More often than not these disagreements involve the global economy. According to Justin Fox, most economists no longer seem to believe that there are single answers to the big global issues.

5. **Statistics and Even Lore of the Dismal Science**, David Cay Johnston, *New York Times*, September 15, 1997.

A vast and growing trove of online information is available to track both the domestic and world economies. David Johnston shows how **to use the Internet** effectively.

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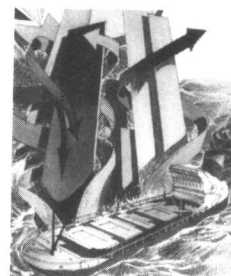
6. **State of the Union: Black Holes in the Statistics**, Robert Eisner, *Challenge*, January/February 1997.

How reliable are official U.S. government statistics? Robert Eisner believes that they are deeply flawed. This applies to measures of GDP, public deficits and debt, domestic and foreign investment and saving, productivity, real wages, and the distribution of income and wealth.

7. **The Economy You Can't See**, Paul Starobin, *National Journal*, June 18, 1994.

A large share of economic activity occurs in the **underground economy**, where goods and services—some legal, some not—are produced but not reported. Paul Starobin considers possible implications of proposals for regulating such activity.

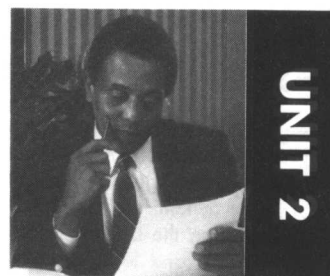
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UNIT 1

Introduction to Macroeconomics

Five articles examine some of the controversies that lie at the heart of macroeconomics.



UNIT 2

Measuring Economic Performance

Four articles consider the dynamics of the measurement and interpretation of economic indicators. Subjects examined include the validity of government statistics, productivity, and sustainable development.



Fiscal Policy and the Federal Budget

Seven selections discuss the state of the federal budget. Topics include the current budget predicament, the dynamics of the deficit, balancing the budget, federal tax policy, and Social Security.

8. **How Fast Can the U.S. Economy Grow?** Paul Krugman, *Harvard Business Review*, July/August 1997. **34**

According to the so-called **new economic view**, rapid technological change and global competition have created an environment in which the old speed limits on economic growth no longer apply. Advocates of this view foresee an economy in which faster growth, without inflation, is likely. Paul Krugman examines their arguments.

9. **Hell No, We Won't Save!** Robert J. Samuelson, *Newsweek*, February 22, 1999. **41**

As the American economy continues to zip along, defying predictions that it would slow down or crash, a potentially troublesome problem has developed—**U.S. personal saving** has virtually disappeared. Robert Samuelson asserts that low personal saving is an essential catalyst of the current boom. If somehow it were to rise, the United States and the rest of the world would face even greater peril.

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10. **The Economic Report of the President for 1998: A Review**, James Galbraith, *Challenge*, September/October 1998. **42**

The Council of Economic Advisers argues that the present economic expansion can be sustained without a significant **increase in public spending**. James Galbraith asks: Can a long recovery rely entirely on the growth of private-sector investment and consumption with no contribution from government?

11. **Reflections on the Balancing Act**, George Brockway, *Challenge*, January/February 1998. **44**

Economic theory suggests that a **balanced budget will bring interest rates down**. Now that the federal budget has finally come into balance, the time has come to put this theory to the test of practice. George Brockway warns that the theory may not work as stated.

12. **The Tax Man Cometh: Consumer Spending and Tax Payments**, Peter S. Yoo, *Review (Federal Reserve Bank of St. Louis)*, January/February 1996. **48**

How do consumers respond to changes in income tax rates? Peter Yoo examines several episodes in U.S. history when tax payments changed noticeably. He finds that the response of households was rather modest.

13. **The Flat Tax in Theory and Practice: Simple, Efficient, Fair. Or Is It?** William G. Gale, *Brookings Review*, Summer 1998. **50**

Fundamental tax reform—replacing the present income tax with a new tax system—continues to attract national attention. However, as William Gale demonstrates, none of the current proposals for reform (including the flat tax) is a panacea, and each is flawed in some important way.

14. **Why Are Taxes So Complicated, and What Can We Do about It?** William Gale, *Brookings Review*, Winter 1999. 63

Since virtually everyone agrees that taxes should be easy to understand, administer, and enforce, **why are taxes so complicated?** The author suggests that the answer is that people also agree that taxes should be fair, should be conducive to economic prosperity, should raise sufficient revenue to finance government spending, and should respect the privacy of individuals.

15. **Are Americans Really Overtaxed?** William G. Gale, *Los Angeles Times*, February 24, 1999. 66

Are U.S. taxes too high? Tax-cut advocates maintain that taxes are at record high levels and are imposing increasingly crushing burdens on American families. William Gale says that the first claim is correct, while the second is simply wrong.

16. **Should We Retire Social Security?: Grading the Reform Plans,** Henry J. Aaron and Robert D. Reich, *Brookings Review*, Winter 1999. 68

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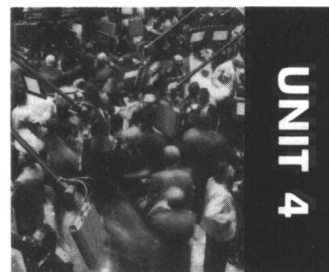
In this essay insights into the major dimensions of **U.S. monetary policy** are provided. What are the ultimate goals of the Federal Reserve? What happens when these goals conflict? How does the Fed formulate its strategies, and how do its policies affect the economy?

18. **Central Banking in a Democracy,** Alan S. Blinder, *Economic Quarterly* (Federal Reserve Bank of Richmond), Fall 1996. 83

A former vice chairman of its Board of Governors asks, **who does the Federal Reserve serve?** Alan Blinder argues that it is not the U.S. president, or the Congress, or the banks, or the financial system. The Fed's true constituency is the entire nation.

19. **Is the Fed Slave to a Defunct Economist?** Evan F. Koenig, *Southwest Economy* (Federal Reserve Bank of Dallas), September/October 1997. 91

Some commentators have recently accused the Federal Reserve of pursuing a **Keynesian policy of "fine tuning" the economy**. As an alternative they advocate a policy of allowing output and employment to range freely, as long as inflation holds steady. Evan Koenig argues that the Fed has, in fact, steered a middle course between these extremes.



Money, Banking, and Monetary Policy

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Employment, Prices, and the Business Cycle

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- 20. Should the Fed Care about Stock Bubbles?** Paul Krugman, *Fortune*, March 1, 1999. **95**

Several years ago, when the Dow Jones Industrial Average stood at 6500, Fed Chairman Alan Greenspan warned about "irrational exuberance." Today, with the stock market at record highs, the question may be even more urgent than it was then: ***Should the Federal Reserve care when stock prices soar?***

- 21. Bank Mergers and the Big Money,** Charles Geisst, *Newsday*, April 19, 1998. **97**

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- 22. The Stepchildren of Banking,** Richard A. Oppel Jr., *New York Times*, March 26, 1999. **99**

Many people, especially in low-income neighborhoods, shy away from banks. Claiming poor location, high fees, and other obstacles as excuses against owning a bank account, they turn to expensive check-cashing outlets. Richard Oppel examines possible ways in which these individuals might be given ***better access to banking services***.

- 23. Electronic Cash and the End of National Markets,** Stephen J. Kobrin, *Foreign Policy*, Summer 1997. **102**

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- 24. Learning from the Big Booms,** Louis Uchitelle, *New York Times*, June 28, 1998. **110**

The ***"Soaring Nineties"*** invites comparison with other great periods of prosperity in modern history. What is striking is that each of them—the Gilded Age in the late nineteenth century, the Roaring Twenties, the Fabulous Fifties and Sixties—ended suddenly, and in each case the end came as a shock. This article offers some historical perspective on the current economic expansion.

- 25. Yes, Virginia, There Will Be Recessions,** *Business Week*, August 31, 1998. **112**

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and Stephen Rose, *The American Prospect*, March/April 1997.

At least since the 1980s, people have said that they work "too hard"—that they are spending too much time on the job, with too little left for family, chores, or leisure. At the same time there has been a marked increase in part-time work by those who can't find full-time work. Can Americans be simultaneously "**overworked**" and "**underemployed**"? Barry Bluestone and Stephen Rose investigate this apparent paradox.

29. The Age-Adjusted Unemployment Rate: An Alternative Measure, Robert Horn and Philip Heap, 132

Challenge, January/February 1999.

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3, 1998.
If countries specialize according to their **comparative advantage**, they can prosper through trade regardless of how inefficient, in absolute terms, they may be in their chosen specialty. This article demonstrates how this principle can be used to support the case for free trade.



International Economics

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- 32. Could It Happen Again?** *The Economist*, February 20, 1999. **143**
The Economist maintains that for the past 25 years, the biggest economic enemy in most countries has been inflation. Now, however, the world economy is precariously balanced on the edge of a deflationary precipice. Does this mean that today, in most of the world, a greater danger is **deflation**?
- 33. Will Fair Trade Diminish Free Trade?** David M. Gould and William C. Gruben, *Business Economics*, April 1997. **146**
 While trade agreements have reduced tariffs dramatically since the end of World War II, **new forms of protection** have exploded. The authors ask why fair trade laws don't always work.
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- 35. NAFTA: How Is It Doing?** Joe Cobb and Alan Tonelson, *The World & I*, October 1997. **158**
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- 36. Trade Policy at a Cross Roads**, I. M. Destler, *Brookings Review*, Winter 1999. **164**
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- 37. The United States Is Not Ahead in Everything That Matters**, John Schmitt and Lawrence Mishel, *Challenge*, November/December 1998. **168**
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- 38. The Euro: Who Wins? Who Loses?** Jeffry Frieden, *Foreign Policy*, Fall 1998. **175**
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- 39. Russia Is Not Poland, and That's Too Bad**, Michael M. Weinstein, *New York Times*, August 30, 1998. **183**
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40. Japan's Economic Plight: Fallen Idol, *The Economist*, 185

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Japan was once feared for its economic might. Today it is feared for its economic weakness. *The Economist* examines the harm its ailing system might do to the rest of Asia and the world.

41. The Other Crisis, James D. Wolfensohn, *Across the Board*, February 1999. 188

The head of the World Bank asserts that we must look beyond the **global financial crisis** to seek the long-term structural reforms necessary to put the world's troubled economies back on the road to recovery. Ultimately, the real issue is the state in which the world finds itself in terms of environment, humanity, and peace and stability.

42. Changing Today's Consumption Patterns—for Tomorrow's Human Development, United Nations Development Programme, *Human Development Report*, May 1998. 192

World consumption has expanded at an unprecedented pace over the twentieth century, and its benefits have been spread far and wide. Yet, as this United Nations report shows, competitive spending and conspicuous consumption have turned the affluence of some into the social exclusion of many.

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原书缺页

Topic Guide

This topic guide suggests how the selections and World Wide Web sites found in the next section of this book relate to topics of traditional concern to macroeconomics students and professionals. It is useful for locating interrelated articles and Web sites for reading and research. The guide is arranged alphabetically according to topic.

The relevant Web sites, which are numbered and annotated on pages 4 and 5, are easily identified by the Web icon (☺) under the topic articles. By linking the articles and the Web sites by topic, this ANNUAL EDITIONS reader becomes a powerful learning and research tool.

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TOPIC AREA	TREATED IN	TOPIC AREA	TREATED IN
Keynesian Economics	2. Accidental Inventor 3. Economic Possibilities for Our Grandchildren 4. What in the World Happened to Economics? 10. Economic Report of the President for 1998 19. Is the Fed Slave to a Defunct Economist? ☉ 1, 2, 4, 15	Russian Economy	39. Russian Is Not Poland 41. Other Crisis ☉ 28, 30, 36, 37
Less Developed Countries	34. Spotlight and the Bottom Line 41. Other Crisis 42. Changing Today's Consumption ☉ 29, 31, 32, 33, 34	Say's Law	2. Accidental Inventor 4. What in the World Happened to Economics? ☉ 1, 2, 4
Monetary Policy	5. Statistics and Even Lore of the Dismal Science 8. How Fast Can the U.S. Economy Grow? 17. U.S. Monetary Policy 18. Central Banking in a Democracy 19. Is the Fed Slave to a Defunct Economist? 20. Should the Fed Care about Stock Bubbles? 21. Bank Mergers 23. Electronic Cash 24. Learning from the Big Booms 38. Euro: Who Wins? Who Loses? ☉ 18, 19, 20, 21	Social Security System	16. Should We Retire Social Security? ☉ 14, 15, 16, 17
New Economy View	1. Meeting the Challenges 8. How Fast Can the U.S. Economy Grow? 24. Learning from the Big Booms 26. Productivity Gains Help ☉ 18, 19, 20, 21	Stock Market	9. Hell No, We Won't Save! 20. Should the Fed Care about Stock Bubbles? 21. Bank Mergers 26. Productivity Gains Help ☉ 5, 12
Nonaccelerating-Inflation Rate of Unemployment (NAIRU)	10. Economic Report of the President for 1998 19. Is the Fed Slave to a Defunct Economist? 29. Age-Adjusted Unemployment ☉ 23, 25, 26	Taxation	5. Statistics and Even Lore of the Dismal Science 7. Economy You Can't See 12. Tax Man Cometh 13. Flat Tax 14. Why Are Taxes So Complicated? 15. Are Americans Really Overtaxed? 16. Should We Retire Social Security? ☉ 14, 16, 17, 18
North American Free Trade Agreement (NAFTA)	35. NAFTA: How Is It Doing? 36. Trade Policy at a Crossroads ☉ 31	Underground Economy	6. State of the Union 7. Economy You Can't See ☉ 1, 2, 4, 5, 9, 12
Organization for Economic Cooperation and Development (OECD)	5. Statistics and Even Lore of the Dismal Science 42. Changing Today's Consumption ☉ 32	Unemployment	17. U.S. Monetary Policy 18. Central Banking in a Democracy 19. Is the Fed Slave to a Defunct Economist? 26. Productivity Gains Help 28. Overworked and Underemployed 29. Age-Adjusted Unemployment 37. United States Is Not Ahead in Everything That Matters ☉ 25, 26
Phillips Curve	4. What in the World Happened to Economics? 19. Is the Fed Slave to a Defunct Economist? 26. Productivity Gains Help ☉ 1, 2, 4, 9	U.S. Income Distribution	1. Meeting the Challenges 6. State of the Union 16. Should We Retire Social Security? 22. Stepchild of Banking 28. Overworked and Underemployed ☉ 1, 2, 4, 5, 8, 10, 17
Protectionism	30. Globalization and Its Discontents 33. Will Fair Trade Diminish Free Trade? 35. NAFTA: How Is It Doing? 36. Trade Policy at a Cross Roads 41. Other Crisis ☉ 27, 28, 29, 31, 36	World Trade Organization (WTO)	30. Globalization and Its Discontents 33. Will Fair Trade Diminish Free Trade? 36. Trade Policy at a Cross Roads ☉ 37

● AE: Macroeconomics

The following World Wide Web sites have been carefully researched and selected to support the articles found in this reader. If you are interested in learning more about specific topics found in this book, these Web sites are a good place to start. The sites are cross-referenced by number and appear in the topic guide on the previous two pages. Also, you can link to these Web sites through our DUSHKIN ONLINE support site at <http://www.dushkin.com/online/>.

The following sites were available at the time of publication. Visit our Web site—we update DUSHKIN ONLINE regularly to reflect any changes.

General Sites

1. AmosWorld

<http://amos.bus.okstate.edu>

Here is a premiere Internet site for instructional economic information whose main features include a glossary of over 500 economic terms and concepts, a reading room, and an interactive question-and-answer resource.

2. The Dismal Scientist

<http://www.dismal.com>

Often referred to as the "best free lunch on the Web," this is an excellent site with many interactive features. Provides access to economic data, briefings on the current state of the economy, and original articles on economic issues.

3. Fairmodel

<http://fairmodel.econ.yale.edu>

This site brings the power of large-scale macroeconomic analysis to anyone with access to the Internet.

4. MBA Lectures in Macroeconomics

<http://www.stern.nyu.edu/~nroubini/LNOTES.HTM>

Lectures in macroeconomics prepared by Professors Nouriel Roubini and David Backus of the Stern School of Business at New York University are available at this site.

5. The Mining Company

<http://economics.miningco.com>

This frequently updated source "mines the Net" for information on economic subjects. Major features include a very large number of Net Links.

6. Resources for Economists on the Internet

<http://econwpa.wustl.edu/EconFAQ/EconFAQ.html>

This resource of the WWW Virtual Library on Economics is an excellent starting place for any research in economics.

Measuring Economic Performance

7. Bureau of Economic Analysis

<http://www.bea.doc.gov>

Part of the U.S. Department of Commerce, the BEA is the nation's accountant. It issues the Survey of Current Business and is a good data source.

8. Bureau of Labor Statistics

<http://stats.bls.gov>

The home page of the BLS, an agency of the U.S. Department of Labor, offers Data, Economy at a Glance, Keyword Searches, Surveys and Programs, other statistical sites, and more.

9. Dr. Ed Yardeni's Economics Network

<http://www.yardeni.com>

Prepared by the Chief Economist of Deutsche Bank Securities, this site provides chartbooks and studies on such topics as economic indicators, public policy, and global trade.

10. Economic Statistics Briefing Room

<http://www.whitehouse.gov/fsbr/esbr.html>

This site has easy access to current federal economic indicators. It provides links to information from a large number of federal agencies.

11. Internet Public Library: Business and Economics Reference

<http://ipl.org/ref/RR/static/bus0000.html>

A comprehensive reference library on matters involving the production, distribution, and consumption of goods and services, this site includes many subtopics, including consumer issues and labor and work place.

12. New York Times Business Connections

<http://www.nytimes.com/library/cyber/reference/busconn.html>

This page of links to business and economics sites on the Web was prepared for use by journalists of the New York Times for their own research purposes. It includes links to such categories as markets, companies, business news, banking and finance, and government.

13. WebEc-WWW Resources in Economics

<http://netec.wustl.edu/WebEc.html>

A most complete virtual library of economics facts, figures, and ideas can be found here.

Fiscal Policy and the Federal Budget

14. Center on Budget and Policy Priorities

<http://www.cbpp.org>

The Center on Budget and Policy Priorities is a nonpartisan research organization and policy institute that conducts research and analysis on a range of government policies and programs, with an emphasis on those affecting low- and moderate-income people.

15. Economic Report of the President

<http://www.whitehouse.gov/WH/EOP/CEA/html/CEA.html>

This is the Web page of the Council of Economic Advisers. A copy of the latest *Economic Report of the President* is available here.

16. The Public Debt

<http://www.publicdebt.treas.gov/opd/opd.htm>

Here you will find links to The Public Debt of the United States to the Penny, Historical Debt, Interest Expense and the Public Debt, and Frequently Asked Questions.

17. Tax Wire

<http://www.tax.org/TaxWire/taxwire.htm>

Created by Tax Analysts, this site provides forums for discussion of a wide variety of tax ideas. It provides up-to-the-minute news on tax development.

Money, Banking, and Monetary Policy

18. Alan Greenspan's Tradeoff

<http://www.pathfinder.com/fortune/1997/971208/fst5.html>

This page from *Fortune* magazine leads to an extensive discussion of the Fed and its chairman, Alan Greenspan.

19. Federal Reserve Board

<http://www.bog.frb.fed.us>

This is the Web site of the Federal Reserve Board (the Fed), which governs the 12 Federal Reserve banking districts. The site includes links to all the Federal Reserve Banks and other federal agencies. It provides access to the Fed's Beige Book, a report published eight times each year on current economic conditions by the Federal Reserve district.

20. History of Money

<http://www.ex.ac.uk/~RDavies/arian/llyfr.html>

This award-winning site provides a comprehensive chronology of money from ancient times to the present day. It also includes articles on such topics as the Origins of Banking, Money in North American History, and Third World Debt.

21. Mark Bernkopf's Central Banks of the World: Central Banking Resources Center

<http://patriot.net/~bernkopf>

Interesting papers on electronic money and its effect on the banking world are available at this Web site.

Employment, Prices, and the Business Cycle

22. Business Cycle Indicators

<http://www.globalexposure.com>

This site leads to the 256 data series known as the U.S. Business Cycle Indicators, which are used to track and predict U. S. business activity.

23. What's a Dollar Worth? CPI Calculation Machine

<http://minneapolisfed.org/economy/calc/cpihome.html>

This interactive site demonstrates how the Consumer Price Index is used to calculate how prices have changed over the years. It includes CPI data from 1913 to 1998.

24. Economic Cycle Research Institute

<http://www.businesscycle.com>

The Economic Cycle Research Institute represents over 60 years of business cycle research covering all major market economies. The focus of its work is business cycle forecasting.

25. Employment Policy Foundation

<http://www.epfnet.org>

The EPF provides policymakers and the public with analysis and commentary on U. S. employment policies affecting businesses and their employees.

26. WorkIndex

<http://workindex.com>

This annotated guide to Internet resources in human resources, labor relations, benefits, training, technology, recruiting, leadership, and more is sponsored by the School of Industrial Relations at Cornell University.

International Economics

27. European Union in the U.S.

<http://www.eurunion.org>

This is a comprehensive Web site for the European Union. Topics include EU policies and legislation, information on member states, and EU-US relations. Online access to *Europe Magazine* is also provided.

28. Institute for International Economics

<http://www.iie.com>

The site of this nonprofit, nonpartisan research institution is devoted to the study of international economic policy, con-

tains news, views, reviews, working papers, publications, and press releases, plus links to related sites.

29. Inter-American Development Bank

<http://www.iadb.org>

The Inter-American Development Bank was established in 1959 to help accelerate economic and social development in Latin America and the Caribbean. This site offers access to IDB reports and information on member countries.

30. International Monetary Fund (IMF)

<http://www.imf.org>

The IMF is a cooperative institution involving 182 countries that consult each other "for the purpose of maintaining a stable system of buying and selling their currencies."

31. North American Free Trade Association (NAFTA)

<http://www.itaiep.doc.gov/nafta/nafta2.htm>

This is the home page of the North American Free Trade Association. NAFTA's stated objective is "to provide accurate and timely information to U. S. exporters experiencing market access barriers in Canada or Mexico."

32. Organization for Economic Cooperation and Development (OECD)

<http://www.oecd.org>

This Web site of OECD provides information on OECD activities, news, documentation, and related links. One interesting feature is a link to the Centre for Cooperation with Non-members.

33. Sustainable Development Organization

<http://www.sustainabledevelopment.org>

This site provides a resource center for investigating issues of sustainable development. Extensive links lead to such sustainable development categories as agriculture, energy, environment, finance, health, microenterprise, public policy, and technologies.

34. UNCTAD

<http://www.unctad.org>

The main task of the United Nations Conference on Trade and Development (UNCTAD) is to accelerate economic growth and development, particularly that of the least developed countries (LDCs).

35. WORLDLINK Glossary and Acronyms

<http://www.worldlinkinternational.com/gloss.htm>

This WORLDLINK glossary includes definitions of many terms and acronyms encountered in international trade and finance, which has developed its own distinctive vocabulary.

36. World Policy Institute

<http://www.worldpolicy.org>

The WPI publishes an online version of the *World Policy Journal*, which focuses on core policy issues, with an emphasis on international economic affairs and the requirements for a civil society.

37. World Trade Organization (WTO)

<http://www.wto.org>

The WTO facilitates the working of the multilateral trading system. It negotiates agreements among trading nations that guarantee member countries important trade rights.

We highly recommend that you review our Web site for expanded information and our other product lines. We are continually updating and adding links to our Web site in order to offer you the most usable and useful information that will support and expand the value of your Annual Editions. You can reach us at:
<http://www.dushkin.com/annualeditions/>