

e-Library

User Guide



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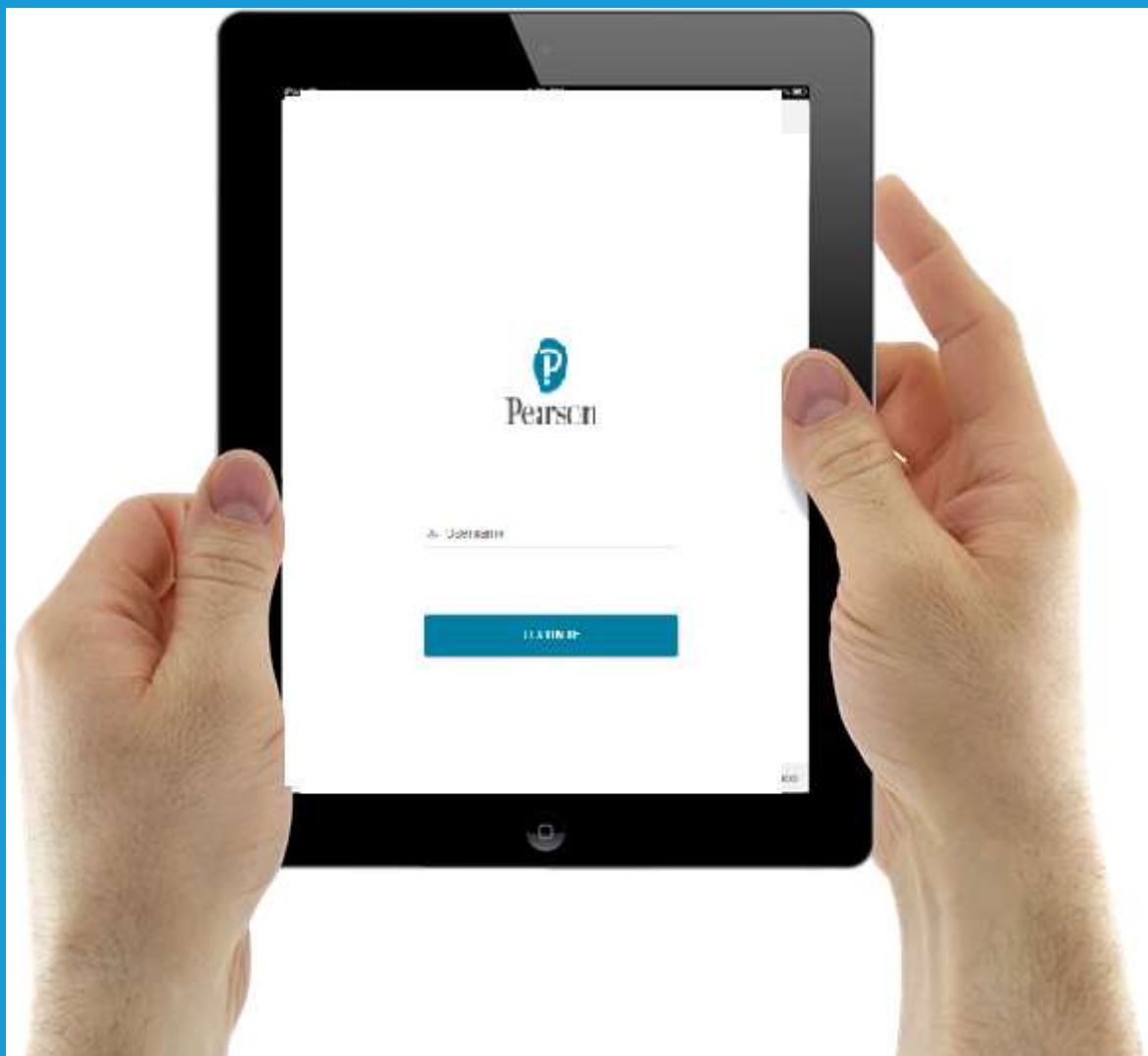
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Welcome!

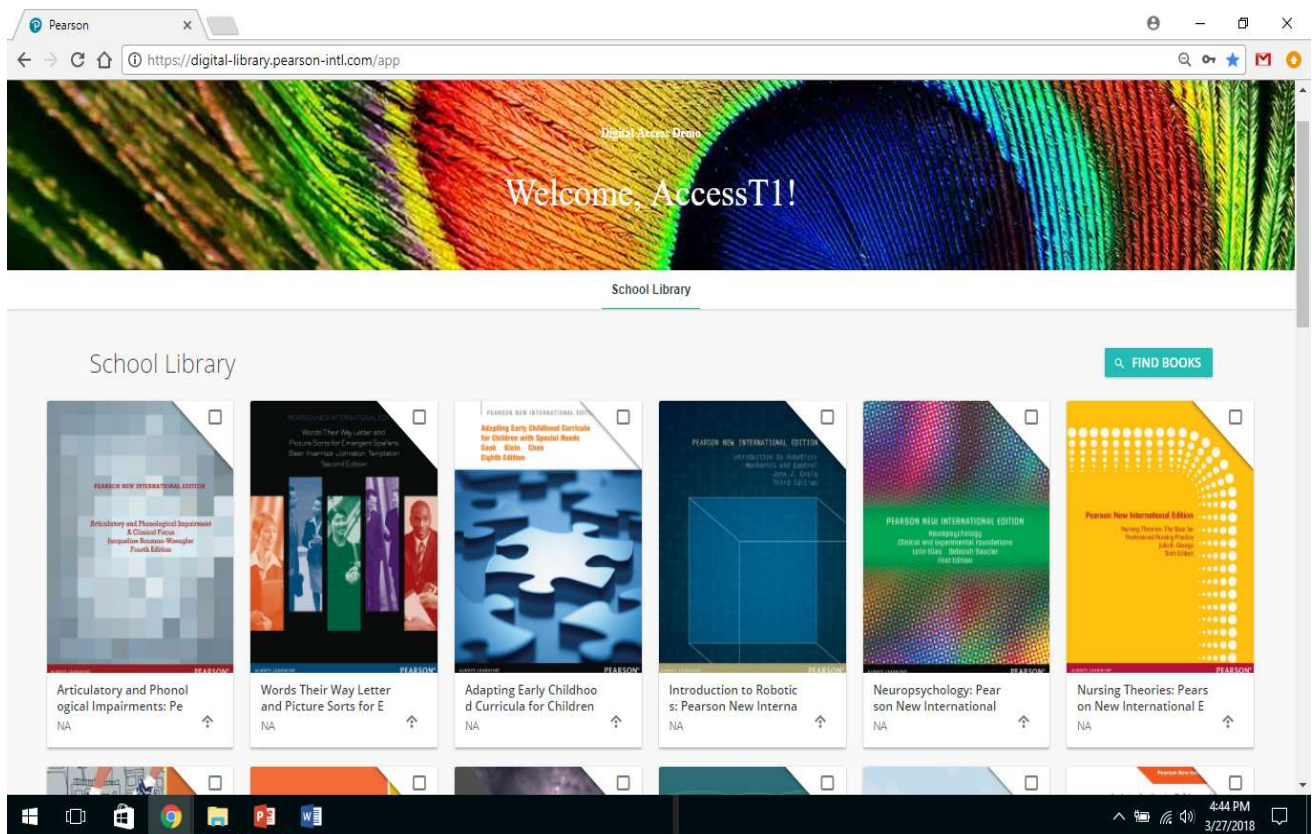
Thank you for using elibrary Reader.

We would like to introduce you to the elibrary by providing a brief overview of key controls.



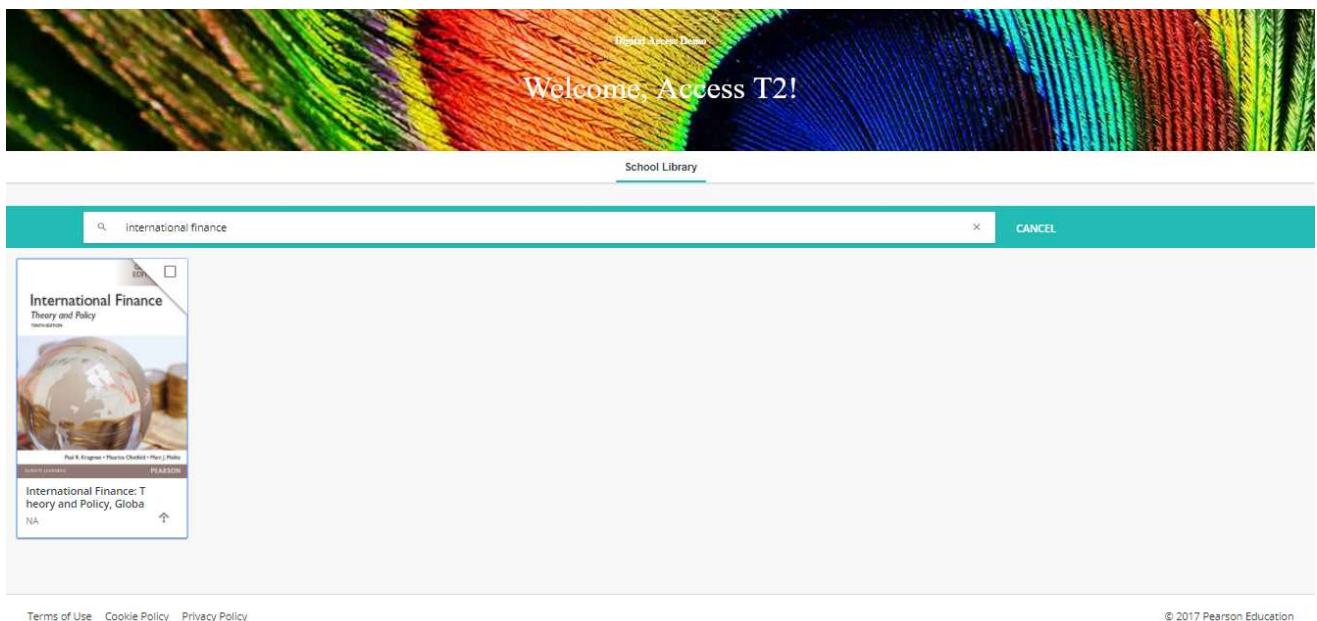
Home screen - An Overview

Homepage



How to find an e-book

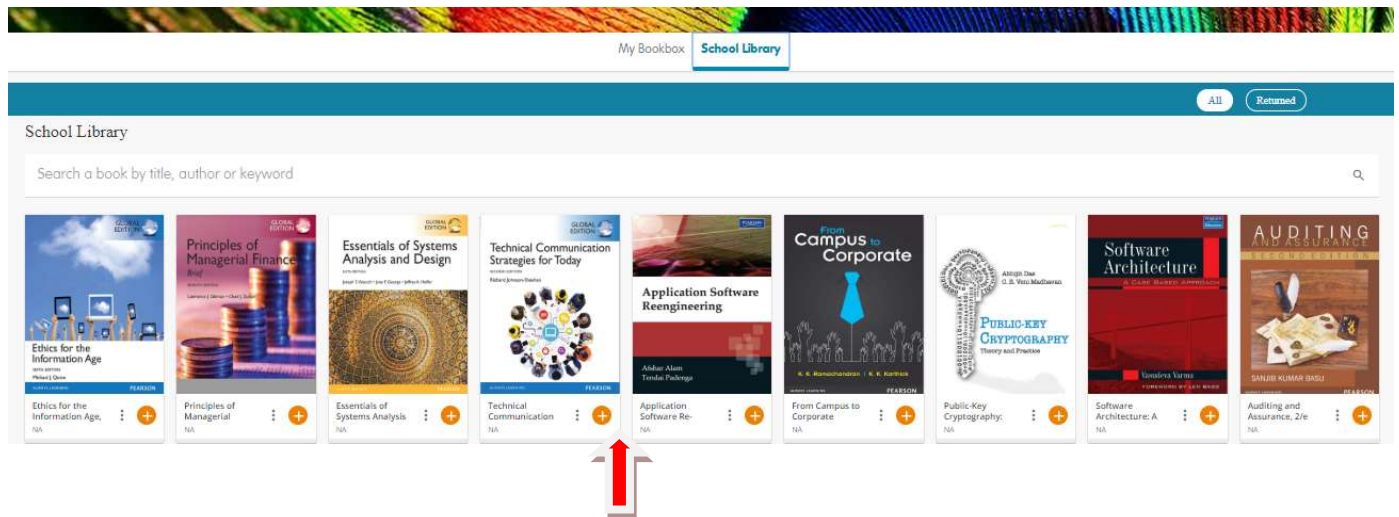
1. **Search** Enter book, Author, ISBN on search box to find a e-book.



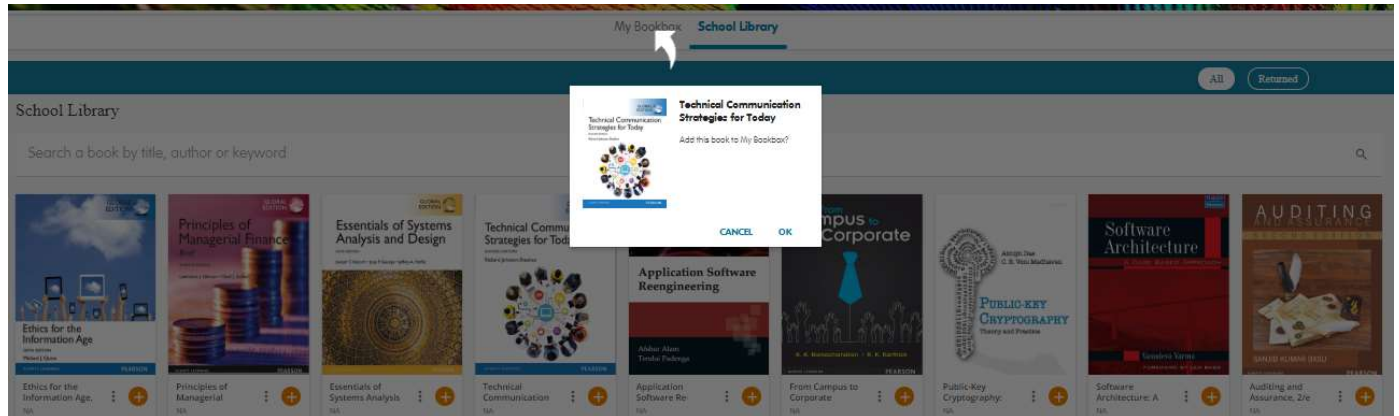
How to add a book to my Bookbox

Click on “+” sign as shown in screen below to add a book to your mybook box . In screen 2 pop up window will appear to click ok for adding a book to your personalized bookshelf

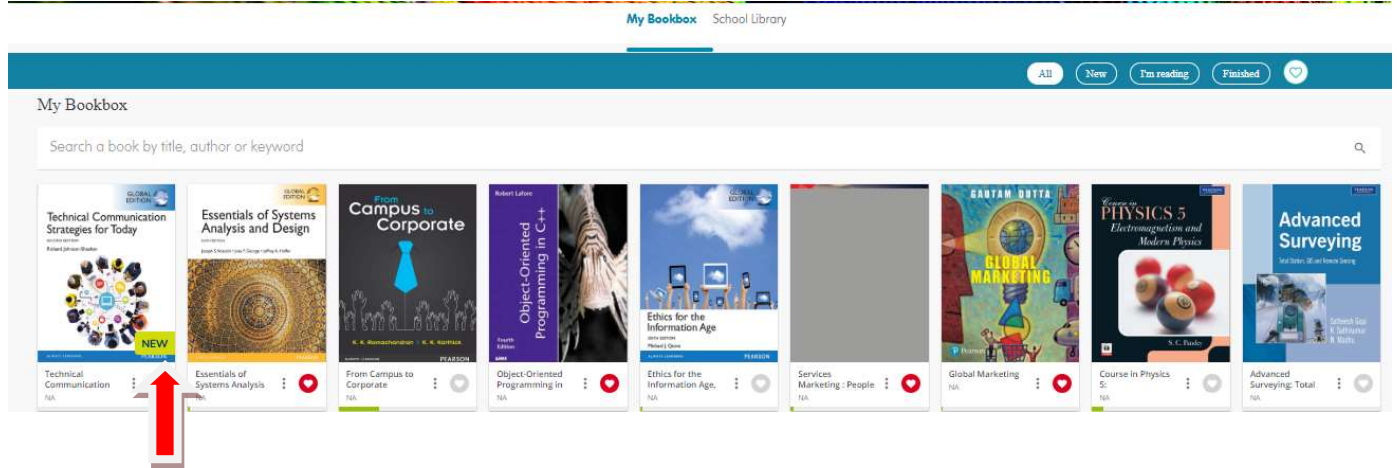
Screen 1



Screen 2



Screen 3 :- Once book is added to my book box. It will appear as “New” as shown in screen below. Click on book to open and start reading.



Screen 4 TABS:- Icons listed on left screen of my book box as listed below will help to identify books added to my book box, New titles , Im reading, Finished, favourites..

1. **All** :- Click on all will showcase all titles added to my book box
2. **New** :- Click on tab will showcase all new titles added to my book box
3. **Im reading** :- Click on tab will showcase all titles which currently reading
4. **Finished** :- Click on tab will showcase all titles finished reading
5. **Heart Icon** :- Click on tab will showcase titles which are my favourites

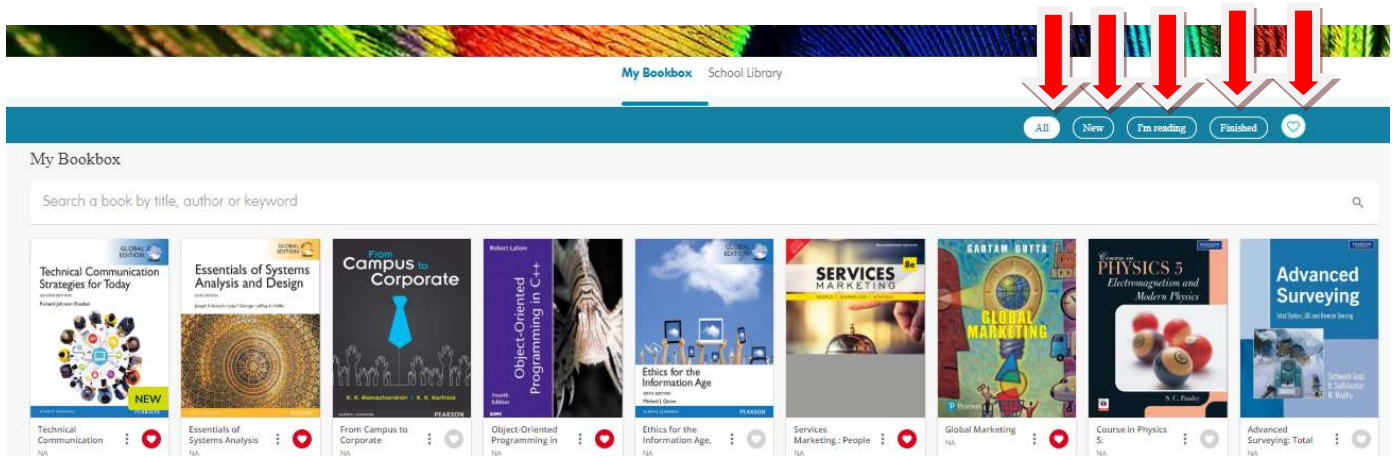


Table of Content e-library reader - An Overview

Table of Content: - Enter Click on tab to navigate through the chapter and can jump to another chapter of content inside the book





International Finance: Theory and Policy, Global Edition

26 CHAPTER 1 Introduction

Table of Contents



FIGURE 1-1 MyEconLab Homework
Exports and Imports as a Percentage of U.S. National Income
Both exports and imports have risen as a share of the U.S. economy, but imports more.

Source: U.S. Bureau of Economic Analysis, 2013 research, annualizing.

If international economic relations have become crucial to the United States, they are even more crucial to other nations. Figure 1-2 shows imports and exports as a share of GDP for a sample of four nations. By virtue of its size and the diversity of its resources, the United States trades with almost any other country.

International Economics—now available alternatively as *International Trade and International Finance*—introduces the methods of international economics and illustrates them with examples from the real world. Much of the text is devoted to old ideas that are new again. The 19th-century trade theory of David Ricardo and even monetary analysis of David Hume remain highly relevant to the 21st-century economy. At the same time, we have made a special effort to bring the text up to date. In particular, the economic crisis that began in 2007 has posed new challenges for the global economy. Economists were able to analyze some of these challenges, but they were also forced to develop new important concepts. Furthermore, new approaches have emerged such as the impacts of changes in monetary and fiscal policy. We have conveyed the key ideas that have emerged in recent research and continuing usefulness of old ideas.

Cover

Brief Contents

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Preface

Chapter 1: Introduction

Part 1: Exchange Rates and Open-Economy Macroeconomics

Part 2: International Macroeconomic Policy

Mathematical Postscripts

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Credits

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My Data - An Overview

How to highlight text

1. **Highlight:** To highlight a text, select the text and choose a color to highlight as per your colour preferences

Net Errors and Omissions

We come out with net financial flows of $-\$439.4$ billion rather than the $-\$433.4$ billion that we'd expected after adding up the current and capital account balances. According to our data on trade and financial flows, the United States incurred $\$6.0$ billion more in foreign debt than it actually needed to fund its current plus capital account deficit. If every balance of payments credit automatically generates an equal counterpart debit and vice versa, how is this difference possible? The reason is that information about the offsetting debit and credit items associated with a given transaction may be collected from different sources. For example, the import debit that a shipment of DVD players from Japan generates may come from a U.S. customs inspector's report and the corresponding financial account credit from a report by the U.S. bank in which the check paying for the DVD players is deposited. Because data from different sources may differ in coverage, accuracy, and timing, the balance of payments accounts seldom balance in practice as they must in theory. Account keepers force the two sides to balance by adding to the accounts a *net errors and omissions* item. For 2012, unrecorded (or misrecorded) international transactions generated a balancing accounting debit of $-\$6.0$ billion—the difference between the recorded net financial flows and the sum of the recorded current and capital accounts.

We have no way of knowing exactly how to allocate this discrepancy among the current, capital, and financial accounts. (If we did, it wouldn't be a discrepancy!) The financial account is the most likely culprit, since it is notoriously difficult to keep track of the complicated financial trades between residents of different countries. But we cannot conclude that net financial flows were $\$6$ billion higher than recorded because the current account is also highly suspect. Balance of payments accountants consider merchandise trade data relatively reliable, but data on services are not. Service transactions such as sales of financial advice and computer programming assistance may escape detection. Accurate measurement of international interest and dividend receipts is particularly difficult.

Official Reserve Transactions

Although there are many types of financial account transactions, one type is important enough to merit separate discussion. This type of transaction is the purchase or sale of official reserve assets by central banks.

An economy's **central bank** is the institution responsible for managing the supply of money. In the United States, the central bank is the Federal Reserve System. **Official international reserves** are foreign assets held by central banks as a cushion against national economic misfortune. At one time, official reserves consisted largely of gold, but today, central banks' reserves include substantial foreign financial assets, particularly U.S. dollar assets such as Treasury bills. The Federal Reserve itself holds only a small level of official reserve assets other than gold; its own holdings of U.S. dollar assets are not considered international reserves.

Central banks often buy or sell international reserves in private asset markets to affect macroeconomic conditions in their economies. Official transactions of this type are called **official foreign exchange intervention**. One reason why foreign exchange intervention can alter macroeconomic conditions is that it is a way for the central bank to inject money into the economy or withdraw it from circulation. We will have much more to say later about the causes and consequences of foreign exchange intervention.

Government agencies other than central banks may hold foreign reserves and intervene officially in exchange markets. The U.S. Treasury, for example, operates an Exchange Stabilization Fund that at times has played an active role in market trading.

Because the operations of such agencies usually have no noticeable impact on the money supply, however, we will simplify our discussion by speaking of them as if they are not too misleading as if the central bank alone holds foreign reserves and intervenes.

When a central bank purchases or sells a foreign asset, the transaction appears in its country's financial account just as if the same transaction had been carried out by a private citizen. A transaction in which the central bank—

Japan acquires dollar assets might occur as follows: A Nissan sedan from Japan and pays the auto company with dollars. The auto company does not want to invest the money in dollar assets, but it is willing to give Nissan Japanese money in exchange for the $\$20,000$ check. The Bank of Japan's international reserves rise by $\$20,000$ as a result of the deal. Because the Bank of Japan's dollar reserves are part of total Japanese assets held in the United States, the latter rise by $\$20,000$. This transaction therefore results in a $\$20,000$ credit in the U.S. financial account, the other side of the $\$20,000$ debit in the U.S. current account due to the import of the car.¹²


Table 2-2 shows the size and direction of official reserve transactions involving the United States in 2012. U.S. official reserve assets rose by $\$4.5$ billion. Foreign central banks purchased $\$393.9$ billion to add to their reserves. The net income in U.S. official reserves for the increase in foreign official reserve claims on the United States is the level of net central bank financial flows, which stood at $\$4.5$ billion $-\$393.9$ $= -\$389.4$ billion in 2012.

You can think of this $-\$389.4$ billion net central bank financial flow as measuring the degree to which monetary authorities in the United States and abroad joined with other lenders to cover the U.S. current account deficit. In the example above, the Bank of Japan, by acquiring a $\$20,000$ U.S. bank deposit, indirectly finances an American import of a $\$20,000$ Japanese car. The level of net central bank financial flows is called the **official settlements balance** or (in less formal usage) the **balance of payments**. This balance is the sum of the current account and capital account balances, less the nonreserve portion of the financial account balance, and it indicates the payments gap that official reserve transactions need to cover. Thus, the U.S. balance of payments in 2012 was $-\$389.4$ billion.

The balance of payments played an important historical role as a measure of disequilibrium in international payments, and for many countries it still plays this role. A negative balance of payments (a deficit) may signal a crisis, for it means that a country is running down its international reserve assets or incurring debts to foreign monetary authorities. If a country faces the risk of being suddenly cut off from foreign loans, it will want to maintain a "war chest" of international reserves as a precaution. Developing countries, in particular, are in this position (see Chapter 11). Like any summary measure, however, the balance of payments must be interpreted with caution. To return to our running example, the Bank of Japan's decision to expand its U.S. bank deposit holdings by $\$20,000$ swells the measured U.S. balance of payments deficit by the same amount. Suppose the Bank of Japan instead places its $\$20,000$ with Barclays Bank in London, which in turn deposits the money with Citibank in New York. The United States incurs an extra $\$20,000$ in liabilities to private foreigners in this case, and the U.S. balance of payments deficit does not rise. But this "improvement" in the balance of payments is of little economic importance: It makes no real difference to the United States whether it borrows the Bank of Japan's money directly or through a London bank.

¹²To see your understanding, see if you can explain why the same sequence of actions causes a $\$20,000$ improvement in Japan's current account and a $\$20,000$ increase in its net financial flows.

How to create Notes

- Notes:** To create, select the text and click on  to add comments in the text box as shown in screen-2

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Pearson

https://digital-library.pearson-intl.com/book

Articulatory and Phonological Impairments: Pearson New International Edition

Note

. rabbit [wɒbet] ready [wedi] feather [fedɪ]

Add your note here

27/03/2018

Even two cats of the same size,

the linguistic function of phonemes b. addition of -s can indicate plurality
c. phonotactics d. knowledge of th


28

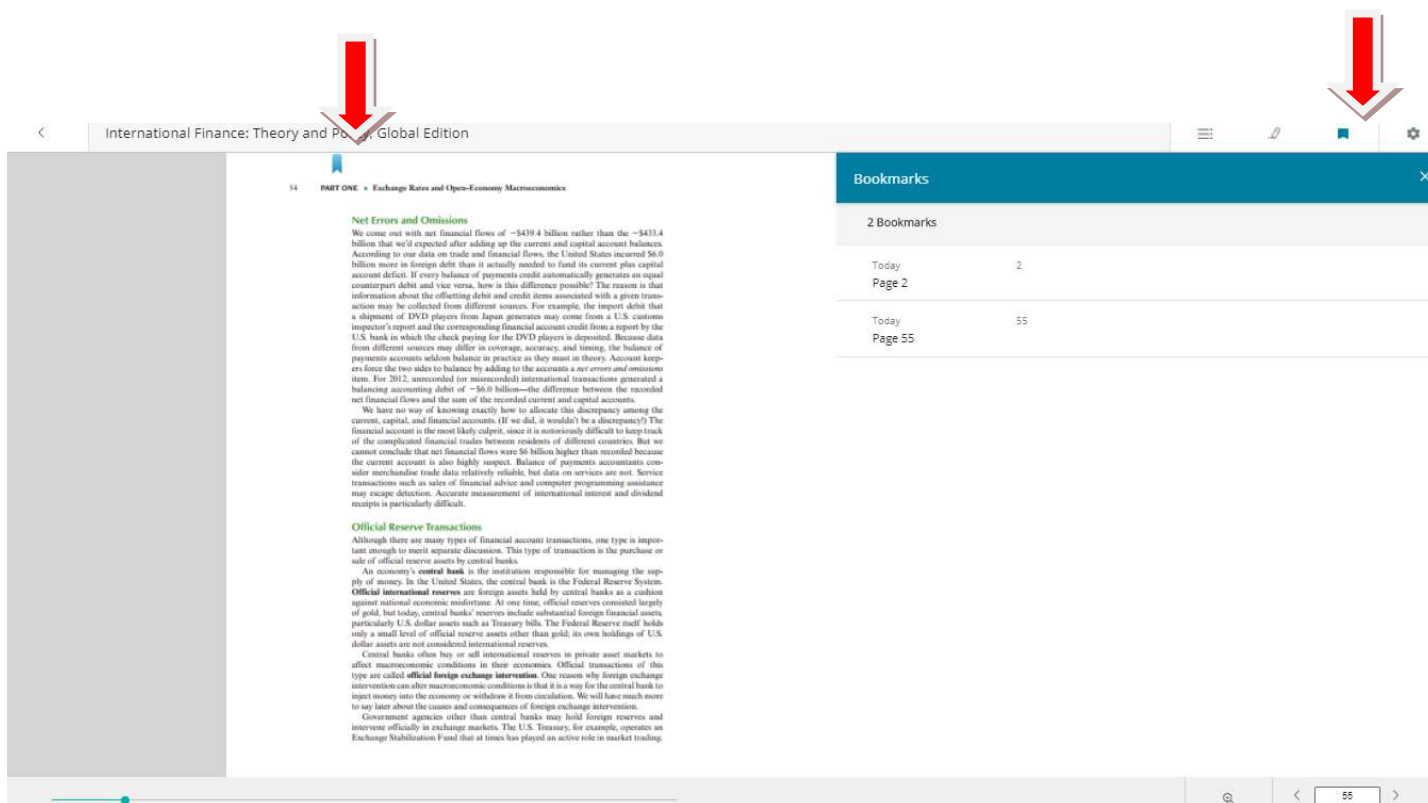
6:29 PM 3/27/2018

Bookmarks - An Overview

How to use Bookmarks

Selecting **Bookmarks** displays bookmarks grouped by Table of Contents. To view a bookmarked page,

1. Select a TOC element (E.g. Chapter/topic/sub-topic) to list its bookmarked pages and select a bookmark  to jump to that page.



The screenshot shows a textbook interface for 'International Finance: Theory and Policy, Global Edition'. The main content area displays a page from 'PART ONE • Exchange Rates and Open-Economy Macroeconomics' with the heading 'Net Errors and Omissions'. A red arrow points to the 'Bookmarks' icon in the top right navigation bar. Another red arrow points to the 'Bookmarks' sidebar on the right, which lists two bookmarks: 'Today Page 2' and 'Today Page 55'. The page number '55' is visible in the bottom right corner of the main content area.

International Finance: Theory and Policy, Global Edition

54 PART ONE • Exchange Rates and Open-Economy Macroeconomics

Net Errors and Omissions

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Bookmarks


2 Bookmarks

Today	2
Page 2	
Today	55
Page 55	

55

Zoom Features - An Overview

How to use Zoom in and out

Zoom: Click on bottom right lens icon  to select zoom % preference as per your reading needs.

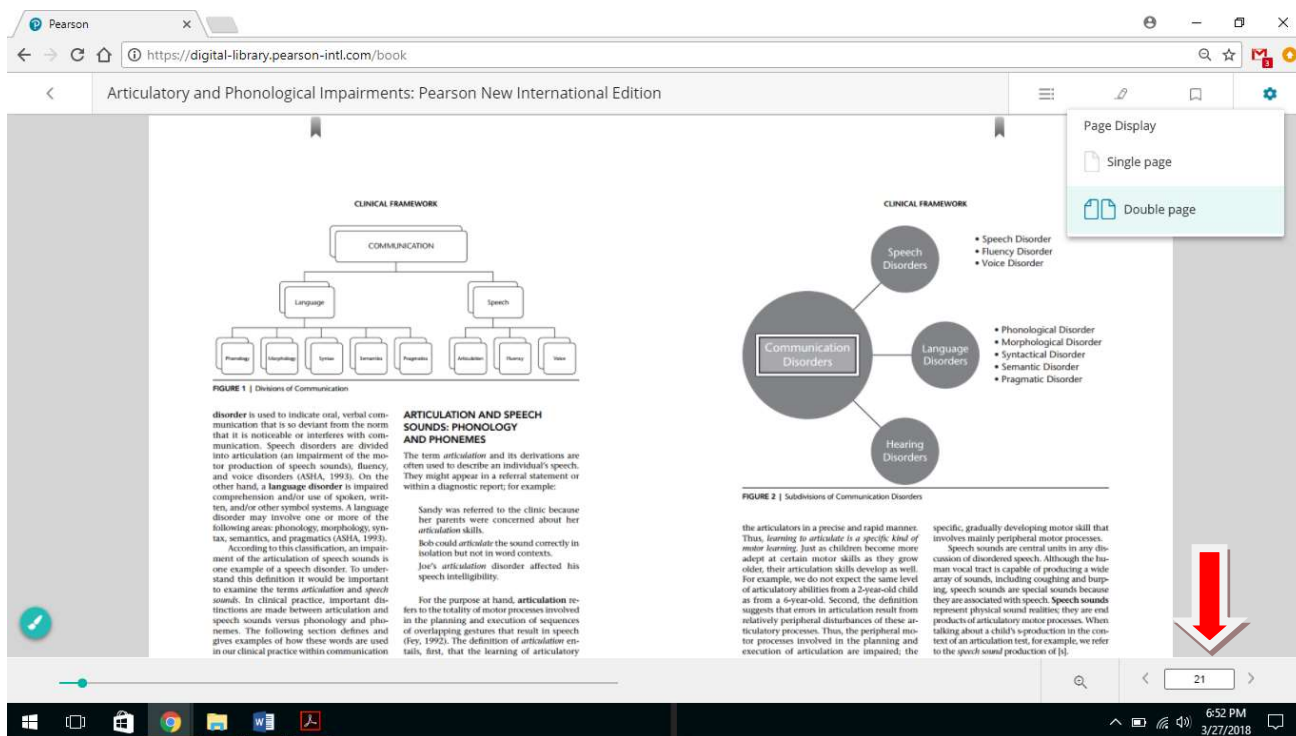


The screenshot displays a digital document viewer with two pages of text. The left page, labeled 'PART ONE • Exchange Rates and Open-Economy Macroeconomics', contains sections on 'Net Errors and Omissions' and 'Official Reserve Transactions'. The right page, labeled 'CHAPTER 2 • National Income Accounting and the Balance of Payments', discusses the operations of such agencies and the money supply. A zoom menu is overlaid on the right page, with a red arrow pointing to the 'Fit to Page' option. The page number '55' is visible at the bottom right of the right page.

Go to Page - An Overview

How to navigate by page numbers

1. Enter page no.  to navigate through pages as shown in screen below



The screenshot shows a web browser window displaying a Pearson digital library page. The page title is "Articulatory and Phonological Impairments: Pearson New International Edition". The page content includes two diagrams illustrating the divisions and subdivisions of communication disorders.

FIGURE 1 | Divisions of Communication

The diagram shows a hierarchical structure of communication. At the top is "COMMUNICATION". Below it are "Language" and "Speech". Under "Language" are "Phonology", "Morphology", "Syntax", "Semantics", and "Pragmatics". Under "Speech" are "Articulation", "Fluency", and "Voice".

FIGURE 2 | Subdivisions of Communication Disorders

The diagram shows a central box labeled "Communication Disorders" connected to three surrounding boxes: "Speech Disorders", "Language Disorders", and "Hearing Disorders".

- Speech Disorders** include:
 - Speech Disorder
 - Fluency Disorder
 - Voice Disorder
- Language Disorders** include:
 - Phonological Disorder
 - Morphological Disorder
 - Syntactical Disorder
 - Semantic Disorder
 - Pragmatic Disorder
- Hearing Disorders** are listed without specific sub-items.

A "Page Display" dropdown menu is open, showing "Single page" and "Double page" options. A red arrow points to the page number "21" in the bottom right corner.

How to use scroll bar

2. Select bar icon on your left bottom of the book to move across the pages

The screenshot shows a web browser window displaying a Pearson digital library page. The browser's address bar shows the URL <https://digital-library.pearson-intl.com/book>. The page title is "Articulatory and Phonological Impairments: Pearson New International Edition".

On the left side of the page, there is a vertical scroll bar. A red arrow points to the scroll bar's handle, indicating how to use it to navigate between pages. Below the scroll bar, there is a small icon of a book with a red arrow pointing to it.

On the right side of the page, there is a "Page Display" menu with two options: "Single page" and "Double page". The "Double page" option is currently selected.

The main content area of the page displays two diagrams. The left diagram, titled "FIGURE 1 | Divisions of Communication", is a hierarchical tree structure. It starts with "COMMUNICATION" at the top, which branches into "Language" and "Speech". "Language" further branches into "Phonology", "Morphology", "Syntax", "Semantics", and "Pragmatics". "Speech" branches into "Articulation", "Phonology", "Phonetics", and "Voice".

The right diagram, titled "FIGURE 2 | Subdivisions of Communication Disorders", is a circular diagram. It shows "Communication Disorders" at the center, with three surrounding circles: "Speech Disorders", "Language Disorders", and "Hearing Disorders". Each of these circles has a list of associated disorders: "Speech Disorders" includes "Speech Disorder", "Fluency Disorder", and "Voice Disorder"; "Language Disorders" includes "Phonological Disorder", "Morphological Disorder", "Syntactical Disorder", "Semantic Disorder", and "Pragmatic Disorder"; and "Hearing Disorders" is listed without specific sub-disorders.


Below the diagrams, there is text explaining the concepts of communication disorders and articulation. The text discusses the clinical framework, the definition of communication disorders, and the importance of articulation in speech. It also includes a case study of a child named Sandy who was referred to a clinic for articulation issues.

The bottom of the page shows a Windows taskbar with various application icons and a system clock indicating the time is 6:52 PM on 3/27/2018.

Pen Tool - An Overview

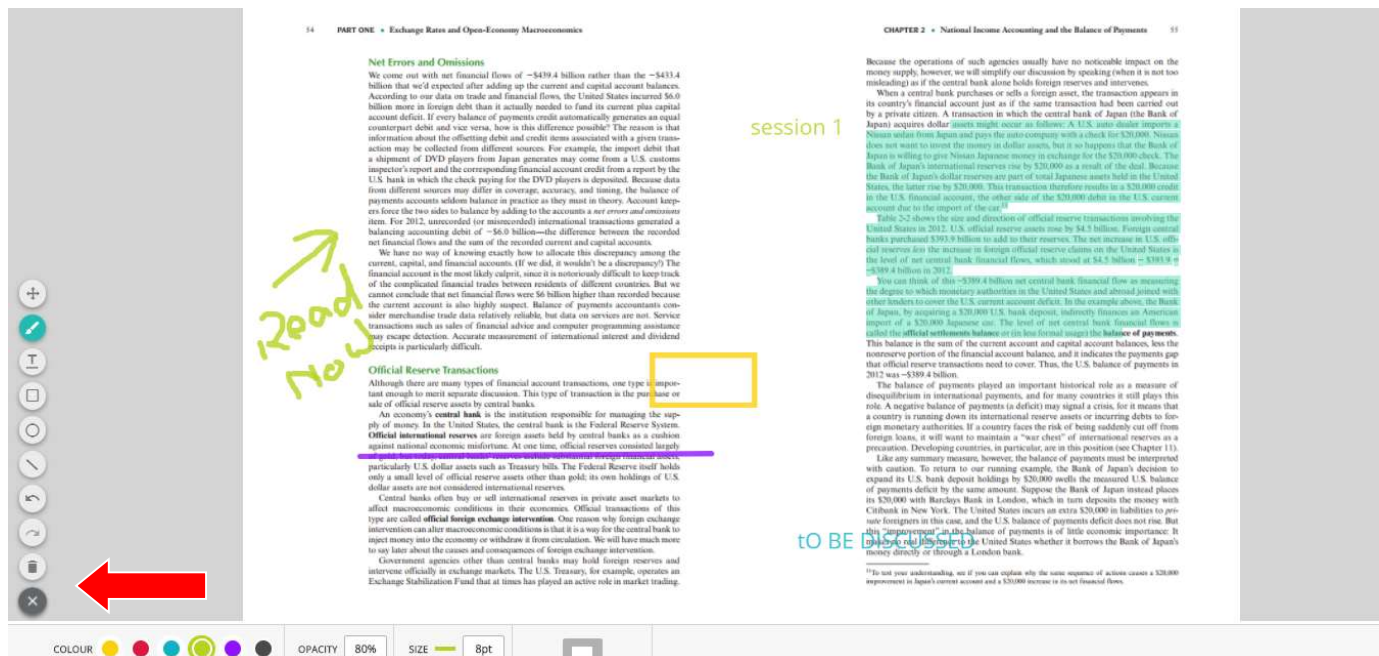
How to use pen tool

(A) Start Pen

1. **Select** Icon  placed on left side of screen. This brings up the Pen menu for you to use in drawing, on the page with colour preference.


(B) Draw using Pen

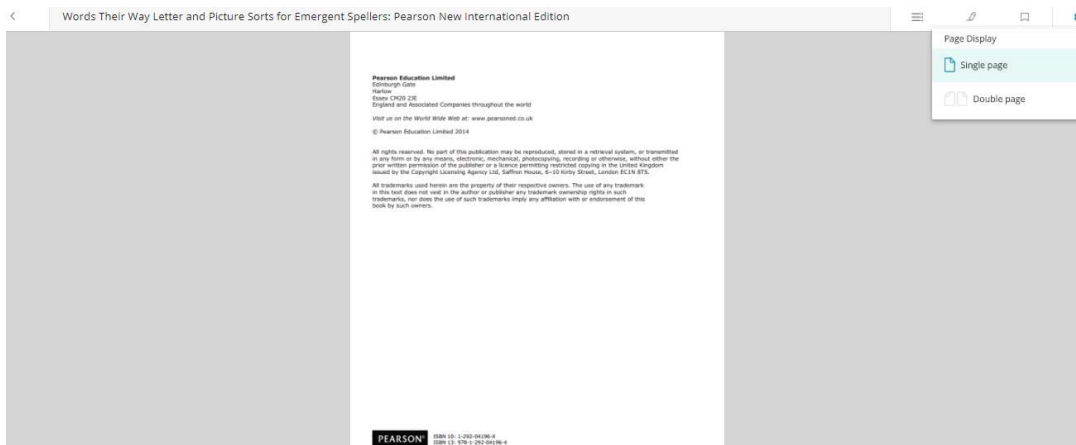
1. Once you activate the pen, use your finger/mouse to draw on the page.
If you do not like how the drawing looks, you can always do it again.




Page View - An Overview

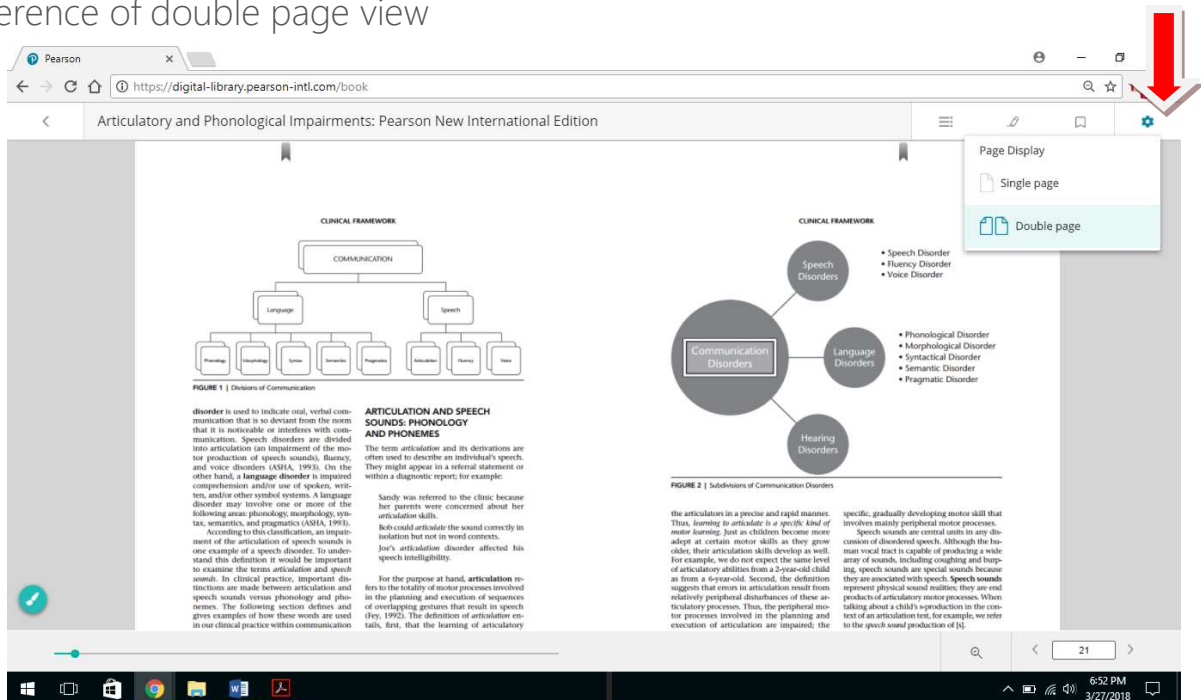
Single Page

Select settings  options from top right corner of the screen to select reading preference of single page view

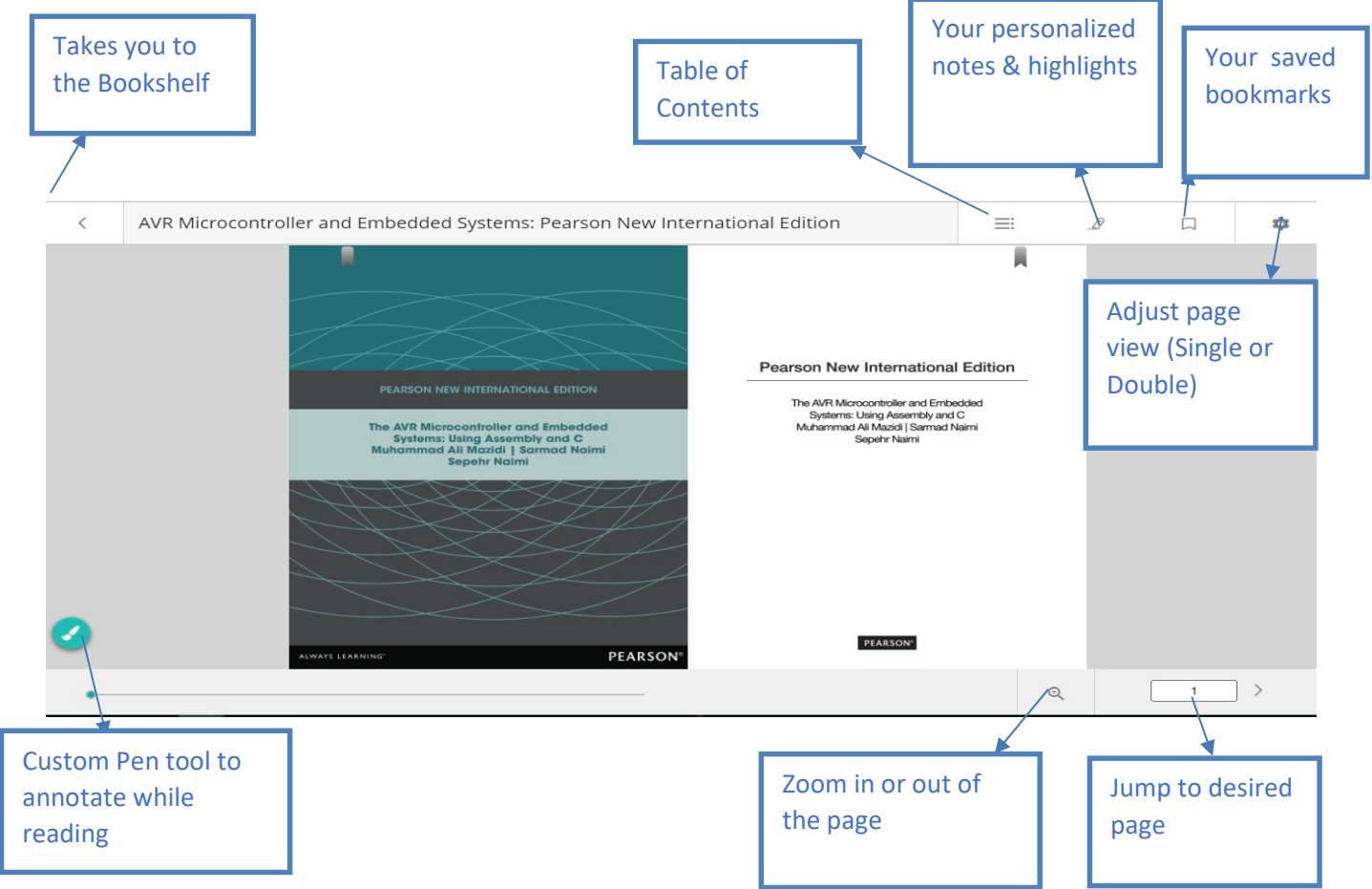


Double Page

Select settings  options from top right corner of the screen to select reading preference of double page view



Quick Overview



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