PART ONE
The Context for Economic Analysis

Chapter 0: Economics and Well-Being

Chapter 1: Economic Activity in Context
1. Our Starting Point
2. The Goals of an Economy
3. The Issues That Define Economics
4. Economic Tradeoffs

Chapter 2: Useful Tools and Concepts
1. Our Tools for Understanding
2. Different Economic Theories: Examples of Two Basic Models
3. The Three Spheres of Economic Activity

Chapter 3: Markets and Society
1. Three Definitions of Markets
2. Institutional Requirements for Markets
3. Types of Markets
4. Advantages And Limitations of Markets

PART TWO
Basic Economic Analysis

Chapter 4: Supply and Demand
1. Introduction to the Microeconomic Market Model
2. The Theory of Supply
3. The Theory of Demand
4. The Theory of Market Adjustment
5. Topics in Market Analysis
Chapter 5: Elasticity
1. The Price Elasticity of Demand
2. The Price Elasticity of Supply
3. Income Elasticity of Demand
4. Income and Substitution Effects of A Price Change
5. Short-Run versus Long-Run Elasticity

Chapter 6: Welfare Analysis
1. Welfare Economics
2. Consumer Surplus
3. Producer Surplus
4. Social Efficiency
5. Policy Inferences from Welfare Analysis

Chapter 7: International Trade And Trade Policy
1. Trade, Specialization, and Productivity
2. Gains from Trade
3. Drawbacks of Free Trade
4. Globalization and Policy
5. Conclusion
Appendix: A Formal Theory of Gains from Trade

PART THREE
Economics and Society

Chapter 8: Economic Actors and Economic Behavior
1. Economic Understandings Of Human Motivations
2. Economic Behavior
3. Economic Rationality

Chapter 9: Consumption and the Consumer Society
1. Economic Theory and Consumption
2. Consumption in Historical and International Context
3. Consumption in a Social Context
4. Consumption in an Environmental Context
5. Consumption and Well-Being
Appendix: A Formal Theory of Consumer Behavior
   A1. The Assumptions
   A2. The Budget Line and Its Slope
   A3. Indifference Curves
   A4. Utility Maximization
   A5. Response to Variations in Price
Chapter 10: Markets for Labor
1. Labor In The Traditional Neoclassical Model
2. Labor Supply and Demand at the Market Level
3. Changes in Jobs and in the Labor Force
4. Alternative Explanations for Variations in Wages
5. Wages And Economic Power
Appendix: A Formal Model of a Firm’s Hiring Decision

PART FOUR
Essential Topics for Contemporary Economics

Chapter 11: Economic and Social Inequality
1. Defining and Measuring Inequality
2. Data and Trends
3. Causes and Consequences of Inequality
4. Policy Reforms

Chapter 12: Taxes and Tax Policy
1. Economic Theory and Taxes
2. The Structure of Taxation in the United States
3. Tax Analysis and Policy Issues

Chapter 13: The Economics of the Environment
1. The Theory of Externalities
2. Valuing the Environment
3. Environmental Policies in Practice
Appendix: Formal Analysis of Negative Externalities

Chapter 14: Common Property Resources and Public Goods
1. Goods other than Private Goods
2. Artificially Scarce Goods
3. Common Property Resources
4. Public Goods
5. Climate Change
PART FIVE
Resources, Production, and Market Organization

Chapter 15: Capital Stocks and Resource Maintenance
1. Capital Stocks
2. Natural Capital
3. Manufactured Capital
4. Human Capital
5. Social Capital
6. Financial Capital
7. Sustaining Capital Stocks

Chapter 16: Production Costs
1. An Overview of Production
2. Types of Production Costs
3. The Production Function
4. Production Costs

Chapter 17: Markets without Power
1. Understanding Market Power and Competition
2. Perfect Competition
3. Profit Maximization under Perfect Competition
4. Losses and Exit
5. Production, Efficiency, and Equity
Appendix: A Formal Model of Perfect Competition

Chapter 18: Markets with Market Power
1. The Traditional Models
2. Pure Monopoly: One Seller
3. Monopolistic Competition
4. Oligopoly
5. Imperfect Competition in Agriculture and Health Care
6. Summary and a Final Note
Appendix: Formal Analysis of Monopoly and Monopolistic Competition
   A1. The Assumptions
   A2. Monopoly
   A3. Monopolistic Competition
Chapter 19: Introduction to Macroeconomics
1. What is Macroeconomics About?
2. Macroeconomics and the Dynamics of Real-World Markets
3. Macroeconomic Goals
4. Macroeconomics in Context

Chapter 20: Macroeconomic Measurement: The Current Approach
1. An Overview of National Accounting and Conventions
2. Defining Gross Domestic Product
3. Measuring Gross Domestic Product
4. Growth, Price Changes, and Real GDP
5. Savings, Investment, and Trade
Appendix: Chained Dollar Real GDP

Chapter 21: Macroeconomic Measurement: Environmental and Social Dimensions
1. A Broader View of National Income Accounts
2. Why GDP Is Not a Measure of Well-Being
3. Some Leading Accounting Approaches to Representing Well-being
4. Measuring Household Production
5. Accounting for the Environment
6. Conclusion: Measuring Economic Well-Being

Chapter 22: The Structure of the United States Economy
1. The Three Major Productive Sectors in an Economy
2. The Primary Sector in the United States
3. The Secondary (Industrial) Sector in the United States
4. The Tertiary (Service) Sector
Appendix A1: The Tertiary Sector in the Overall Macro Context
Appendix A2: Historical Trends and Global Comparisons

Chapter 23: Employment and Unemployment
1. Employment and Unemployment
2. A Closer Look at Unemployment
3. Theories of Employment, Unemployment, and Wages
PART SEVEN
Macroeconomic Theory and Policy

Chapter 24: Aggregate Demand and Economic Fluctuations
1. The Business Cycle
2. Macroeconomic Modeling and Aggregate Demand
3. The Keynesian Model
4. Concluding Thoughts
Appendix: An Algebraic Approach to the Multiplier

Chapter 25: Fiscal Policy
1. The Role of Government Spending and Taxes
2. The Federal Budget
3. Policy Issues
Appendix: More Algebraic Approaches to the Multiplier
A1. An Algebraic Approach to the Multiplier, with a Lump-Sum Tax
A2. An Algebraic Approach to the Multiplier, with a Proportional Tax

Chapter 26: Money, Banking, and Finance
1. Why Money?
2. What Is Money?
3. The Banking System
4. Money and Finance

Chapter 27: The Federal Reserve and Monetary Policy
1. The Federal Reserve System
2. Monetary Policy
3. The Theory of Money, Interest Rates, and Aggregate Demand
4. Monetary Policies in Practice
5. The Theory of Money, Prices, and Inflation
6. Complications and Policy Controversies
Appendices
A1. Bond Prices and Interest Rates
A2. Short Vs. Long Run and Real Vs. Nominal Interest Rates

Chapter 28: Aggregate Supply, Aggregate Demand, and Inflation: Putting It All Together
1. Aggregate Demand and Inflation
2. Capacity and the Aggregate Supply Curve
3. Putting the AD/AS Model to Work
4. Competing Theories
Appendix: More Schools of Macroeconomics
A1. New Classical Economics
A2. The Classical-Keynesian Synthesis and New Keynesian Macroeconomics
A3. Post-Keynesian Macroeconomics
Chapter 29: The Global Economy and Policy
1. Macroeconomics in a Global Context
2. The Trade Balance: Completing the Picture
3. International Finance
4. Macroeconomics in an Open Economy
5. International Financial Institutions
Appendix: An Algebraic Approach to the Multiplier, in a Model with Trade

PART EIGHT
Macroeconomic Issues and Applications

Chapter 30: The Financial Crisis and the Great Recession
1. Prelude to a Crisis
2. Economic Impacts of the Crisis
3. Underlying Causes of the Financial Crisis
4. Remedies and Ideas for Averting Future Crises

Chapter 31: Deficits and Debt
1. Deficits and the National Debt
2. The U.S. National Debt: A Historical Perspective
3. The Debt and its Links to Finance
4. Political Economy of the Debt
5. Deficit Projections and Potential Policy Responses

Chapter 32: How Economies Grow and Develop
1. Development and Economic Growth
2. Country Growth Experiences
3. Understanding Poverty
4. Inequality

Chapter 33: Growth and Sustainability in the 21st Century
1. Macroeconomic Goals: Looking Forward
2. Macroeconomics and Ecological Sustainability
3. Climate Change
4. Economic Growth and the Environment
5. Are Stabilization and Sustainability in Conflict?
6. Concluding Thoughts
Appendix: Demographic Challenges
Appendix A1: Basic Demographic Terms and History
Appendix A2: Global Population Patterns and Policies
Appendix A3: The Issue of Aging Populations
Appendix A4: Demographic Challenges Ahead