

PREFACE

The spread of instant electronic communication has changed not only the economy itself but also the way students learn economics and the way instructors teach the subject. A textbook, perhaps supplemented by a few photocopied handouts, used to be almost the only source of information for students. A blackboard was often the instructor's only teaching tool. All this has changed.

Today, both students and instructors rely on the internet as their primary source of information about current economic events. They still need a good textbook to provide a framework for organizing all the information that is available, but that textbook needs to mesh with the material available from online news sources, blogs, and social media. This sixth edition of *Introduction to Macroeconomics* from BVT Publishing includes several changes that integrate it more smoothly into the world of e-learning.

One change is a new design with more prominent headings that will make the electronic version of the book more readable on screen. Readers will also find sections that provide direct links from chapters in the text to related material on my blog.

In addition to a more inviting presentation, there are extensive revisions of the content. It will hardly come as a surprise to say that much has happened since the fifth edition was written (as the US and global economies were beginning to recover from the Great Recession).

Here are some of the other key changes:

- There have been many changes in the financial system and monetary policy. Chapter 7 reviews problems of banking and finance that led up to the 2008 crisis, and explains structural and regulatory changes since that time. Chapter 8 is completely redone to present monetary theory in a way that is more consistent with the way modern central banks actually carry out monetary policy.
- Chapter 9 deals with exchange rates, currency areas, and international monetary policy. It includes extended case studies on the euro area and its problems, and on China's currency policy and the reasons for its slowing growth.
- The two chapters on fiscal policy contain much new material. Chapter 12 covers the short-run perspective on fiscal policy and the business cycle, including discretionary fiscal stimulus, automatic stabilizers, the budget process, and the risks of procyclical fiscal policy. Chapter 13 takes the long-term perspective on sustainability of government deficits and debts, and fiscal policy rules.
- Fortunately, the US economy has not fallen into either deflation or hyperinflation, but issues related to the price level continue to be a focus of macroeconomic policy. Chapter 14 covers the latest developments, including reasons why inflation in major economies has continued to fall below central bank targets.

There are new case studies and examples in every chapter and, in addition, many more for which there is no room in the book itself. Every week, Ed Dolan's Econ Blog provides new material to both students and instructors. The blog's Resource Center for Teaching Economics, found at dolanecon.blogspot.com, brings regular posts on micro- and macroeconomic topics. Students and instructors can also follow @DolanEcon on Twitter® to keep up with the latest economic news. I also invite instructors and students to suggest topics for blog posts or submit guest posts of their own on favorite subjects.

Finally, this edition recognizes the fact that instructors no longer rely solely on blackboards and photocopied handouts as teaching aids. Most instructors now regularly use slideshows, smartboards, and videos in class, and course websites to help students with their studying between classes.

One important aid to e-teaching and e-learning is a complete set of PowerPoint™ slides, which include all of the graphs and tables from each chapter, plus other relevant material that is available as a supplement to *Introduction to Macroeconomics* from BVT. Beyond the basic slides for each chapter, Ed Dolan's Econ Blog provides additional content in PowerPoint format.

ACKNOWLEDGMENTS

As always, I thank the entire publishing and editorial staff of BVT Publishing for their highly professional support. They are a pleasure to work with, and I hope that all students and instructors who use this book benefit as much as I have from their unique and innovative approach to textbook publishing. Enjoy your teaching and learning!

SUPPLEMENTS & RESOURCES

Instructors Supplements

A complete teaching package is available for instructors who adopt this book. This package includes an online lab, instructor's manual, test bank, course management software, and PowerPoint™ slides.

BVTLab	An online lab is available for this textbook at www.BVTLab.com , as described in the BVTLab section below.
Instructor's Manual	The instructor's manual helps first-time instructors develop the course, while offering seasoned instructors a new perspective on the material. Each section of the instructor's manual coincides with a chapter in the textbook. The user-friendly format begins by providing learning objectives and detailed outlines for each chapter. Then, the manual presents lecture discussions, class activities, and sample answers to the end-of-chapter review questions. Lastly, additional resources—books, articles, websites—are listed to help instructors review the materials covered in each chapter.
Test Bank	An extensive test bank is available to instructors in both hard copy and electronic form. Each chapter has approximately 200 multiple choice, 100 true/false, 50 short answer, and 10 essay questions ranked by difficulty and style. Each question is referenced to the appropriate section of the text to make test creation quick and easy.
Course Management Software	BVT's course management software, Respondus, allows for the creation of tests and quizzes that can be downloaded directly into a wide variety of course management environments such as Blackboard®, WebCT™, Desire2Learn®, Canvas™, and others.
PowerPoint Slides	A set of PowerPoint slides for each chapter, comprise a chapter overview, learning objectives, slides covering all key topics, key figures and charts, as well as summary and conclusion slides.

Student Resources

Student resources are available for this textbook at www.BVTLab.com. These resources are geared toward students needing additional assistance, as well as those seeking complete mastery of the content. The following resources are available:

Practice Questions	Students can work through hundreds of practice questions online. Questions are multiple choice or true/false in format and are graded instantly for immediate feedback.
Flashcards	BVTLab includes sets of flashcards that reinforce the key terms and concepts from each chapter.
Chapter Summaries	A convenient and concise chapter summary is available as a study aid.
PowerPoint Slides	All instructor PowerPoints are available for convenient lecture preparation and for students to view online for a study recap.

BVTLAB

BVTLab is an affordable online lab for instructors and their students. It includes an online classroom with a grade book and chat room, a homework grading system, extensive test banks for quizzes and exams, and a host of student study resources. Even if a class is not taught in the lab, students can still utilize the resources described below.

Course Setup	BVTLab has an easy-to-use, intuitive interface that allows instructors to quickly set up their courses and grade books, and to replicate them from section to section and semester to semester.
Grade Book	Using an assigned passcode, students register for the grade book, which automatically grades and records all homework, quizzes, and tests.
Chat Room	Instructors can post discussion threads to a class forum and then monitor and moderate student replies.
Student Resources	All student resources for this textbook are available in BVTLab in digital form.
eBook	Students who have purchased a product that includes an eBook can download the eBook from a link in the lab. A web-based eBook is also available within the lab for easy reference during online classes, homework, and study sessions.

CUSTOMIZATION

BVT's Custom Publishing Division can help you modify this book's content to satisfy your specific instructional needs. The following are examples of customization:

- Rearrangement of chapters to follow the order of your syllabus
- Deletion of chapters not covered in your course
- Addition of paragraphs, sections, or chapters you or your colleagues have written for this course
- Editing of the existing content, down to the word level
- Customization of the accompanying student resources and online lab
- Addition of handouts, lecture notes, syllabus, etc.
- Incorporation of student worksheets into the textbook

All of these customizations will be professionally typeset to produce a seamless textbook of the highest quality, with an updated table of contents and index to reflect the customized content.