

## PART ONE

### Introduction

- To the Student 2
- 1 Limits, Alternatives, and Choices 3
- 2 The Market System and the Circular Flow 31

## PART TWO

### Price, Quantity, and Efficiency

- 3 Demand, Supply, and Market Equilibrium 52
- 4 Elasticity of Demand and Supply 75
- 5 Market Failures: Public Goods and Externalities 97

## PART THREE

### Product Markets

- 6 Businesses and Their Costs 126
- 7 Pure Competition 153
- 8 Pure Monopoly 179
- 9 Monopolistic Competition and Oligopoly 202

## PART FOUR

### Resource Markets and Government

- 10 Wage Determination 228
- 11 Income Inequality and Poverty 253
- 12 Public Finance: Expenditures and Taxes 275

## PART FIVE

### GDP, Growth, and Instability

- 13 GDP and Economic Growth
- 14 Business Cycles, Unemployment, and Inflation
- 15 Aggregate Demand and Aggregate Supply
- 16 Fiscal Policy, Deficits, and Debt

## PART SIX

### Money, Banking, and Monetary Policy

- 17 Money, Banking, and Financial Institutions
- 18 Interest Rates and Monetary Policy

## PART SEVEN

### Long-Run Considerations and International Economics

- 19 Long-Run Aggregate Supply and Aggregate Demand
- 20 International Trade and Exchange Rates

Glossary

Index