

## PART I

# **Macro for Developed and Developing Economies**

This part introduces macroeconomics from the perspective of developed and developing economies. The common concerns of advanced and developing countries with growth and stabilization are considered. Do we need a “new” macroeconomics to deal with the “new” economy? We conclude that many new challenges confront policy makers and business managers in this new environment. But the fundamental framework of economic theory still serves. Next, we consider: “What is macroeconomics?” and “How does the macroeconomic environment — domestic and international — relate to the industry and the firm?” The objectives of policy makers are an important aspect of evaluating the economic environment since these aims are often contradictory and must be prioritized. Finally, we study measurement of economic performance, the quantitative dimensions of how the economy is operating. The important measures include the GDP and the national income and product accounts, the rate of inflation, financial statistics and interest rates, and import and export data and the balance of payments.