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## Macroeconomic Theory and Macroeconomic Pedagogy

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In recent years, there has been much debate over the extent to which undergraduate textbook macroeconomic models are theoretically well grounded and whether they adequately reflect the latest developments in the field. The aim of *Macroeconomic Theory and Macroeconomic Pedagogy* is to encourage and advance this debate, with a specific view to improving macroeconomics education.

The book contains sixteen essays from internationally renowned scholars working in the field of macroeconomics. Contributions examine teaching models in light of recent developments in theory, with an eye to promoting a better understanding of real world issues. Topics include the 3-equation New Consensus model, extensions and alternatives to this model, and endogenous money and finance

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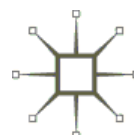
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**Reviews:**

'The 2007/8 financial crisis starkly revealed the limitations of the three equation "New Consensus" macroeconomic model. This model abstracts by assumption from default and credit risk, and hence has no room for issues relating to financial intermediation and liquidity, a "fair weather" model. In this book the authors outline this and other drawbacks of the current mainstream model, and make a good start in amending this in ways which both come closer to reality and can be the basis for undergraduate teaching.' - Charles A.E. Goodhart, Emeritus Professor of Economics, and Member Financial Markets Group, London School of Economics (LSE, UK); former Bank of England's External Member, Monetary Policy Committee, UK

'All who teach graduate macroeconomics will benefit from Fontana and Setterfield's efforts to broaden the scope of formal pedagogy and to incorporate Keynesian and Post Keynesian insights into a disciplined teaching framework.' - James K. Galbraith, Professor at the Lyndon B. Johnson School of Public Affairs and at the Department of Government, University of Texas, at Austin; former Executive Director of the Joint Economic Committee, Congress of the United States, and guest scholar at the Brookings Institution, Washington, DC, USA

'Macroeconomic theory has developed rapidly in the last two decades, but undergraduate teaching and textbooks have not kept up. This timely book surveys approaches to improving pedagogy, focusing on a 3-equation model that is similar in spirit to cutting-edge macro theories but accessible to undergraduates. In addition to its theoretical appeal, the model is better than traditional textbook models for analyzing real-world economic fluctuations.' - Larry Ball, Professor of Economics, Johns Hopkins University, Baltimore, USA



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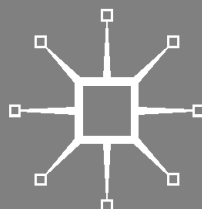
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