

Homework

(Deadline: TO BE DECIDED AFTER MID-TERM)

Instructions:

1) Read the following article:

<https://www.investopedia.com/terms/k/keynesianeconomics.asp>

- 2) You are to summarize the article into 10-13 key points (ประเด็นสำคัญ), which are accompanied by brief explanations.
- 3) Your work must be within one and a half pages. One page is preferred.
- 4) Your work has to be HAND-WRITTEN on IPAD or SCANNED PAPER(S).
- 5) **Your key points MUST be about economic theories (not Keynes' biography) and cover the following notions.**
 - a. Keynes' perspective on Great Depression
 - b. Keynes' perspective on the Classical Economics
 - c. Possible solutions to Great Depression
 - d. Pros and cons of monetary policy
 - e. Pros and cons of fiscal policy
 - f. What is Keynesian economics?
 - g. Keynes' perspective on saving and economic growth
 - h. Alternative theory on saving and economic growth (Google!)
- 6) You will be fully awarded 10 marks (10%) for 10 correct and accurate key points. The extra 3 key points are for 3 extra marks in case some of your conclusions are incorrect.

สามคะแนนเป็นคะแนนพิเศษ หากนักเรียนคนไหนสรุปผิดบางข้อจาก 13 ข้อ ก็ยังมีสิทธิได้คะแนนเต็ม
- 7) Submission after deadline will not be accepted.

① What is Keynesian Economics?

- Keynesian Economics considered in how aggregate demand, and focus on economics output, employment, and inflation
- Keynesian Economics focus on changes in the economics in short-run

② Keynes' perspective on the Great Depression

- Keynes believed that Classical Economics Theory cannot find solution of The Great Depression.
- Keynes believed that there are good reasons to not dispendable investment for response the interest rate
- Keynes did not believe the idea that the economy would return to the natural state of equilibrium

③ Keynes perspective on the Classical Economics

- Keynes believed that government is necessary when the economy is in recession, but in classical theory believe that economy is self-correcting with out government
- Keynes believed that income adjustment mechanism, but in Classical Economics is prices adjustment mechanism

④ Possible solutions the Great Depression

- government should control the economy by cut taxes, spend the money to make more income and make more demand to make enough forces to purped the economy.

⑤ Pros and Cons of Monetary policy

- Pros - it can make investors have more confident to invest and more consumer spending.
- it can adjust interest rate in any situation of economy
- Cons - it does not ensure that economy recovery

⑥ Pro and Cons of Fiscal policy

- Pros - reduce unemployment by cut taxes to increase demand, and also increase production, creating more job
- Cons - it can make budget deficit when they spends more than they can takes in.

⑦ Keynes's perspective on saving and economics growth.

- Keynes's believed that saving less and spend more can make economics growth

⑧ Alternative theory on saving and economics growth

- Mercantilism theory is about a country should accumulate gold and increasing export to make economics growth