

Course Outline

EE312 Macroeconomic Theory (Sec.046401)

Semester 2/2024 (January 20 –May 14, 2025)

Number of Credit: 4 credits

Prerequisite: a) EE211 and EE212 or b) EE213 and EE214

Course Description: The model of joint equilibrium in product markets, money markets, and foreign exchange markets (the IS-LM-BP model); changes in equilibrium; product markets and labor markets; the model of aggregate supply and demand in closed and open economies; inflation, unemployment, and the Phillips curve; dynamic AD-AS framework; economic stabilization policies; growth theory, micro-foundation of macroeconomics focusing on real business cycle model, new classical model, and new Keynesian model; applications of Macroeconomic theory to analyze economic situations.

Course Objectives:

To provide students with an understanding of macroeconomic theory and its analytical approach to economic system, as well as an ability to apply macroeconomic theory to economic problems and policies.

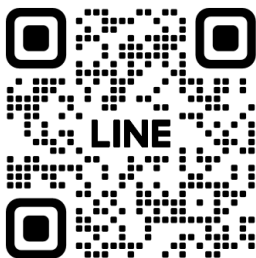
Class Time and Logistic

Class day: Wednesday & Friday
Class time: 9.00 – 11.00 hrs.
Venue: Room 201, Faculty of Economics
Teaching Materials Platform:
<https://classroom.google.com/c/NzAzMDcyOTcxMTg4?cjc=jghxwpw>

Instructor:

Name: Asst. Prof. Dr. Sicha Thubdimphun
Office Hours: Wednesday 12.00 – 13.00 (Rm#469)
Email: sicha@econ.tu.ac.th

Line Official : (Important news announcement only. If you want to contact the instructor, please send an email.)



Main Text:

- Mankiw Gregory “Macroeconomics. Pearson Education, 2016 (M.)

- Froyen Richard. *Macroeconomics: Theories and Policies*. 10th edition. Pearson Education Limited, 2013. (F.)
- Williamson Stephen D. *Williamson. Macroeconomics*. 5th edition. Pearson Education Limited, 2018. (W.)

Suggested Readings:

Supplement readings will be posted on the *Google Classroom*.

Assessments:

• Quizzes	15	points
• Mid-term exam	40	points
• Final exam	45	points
Total	<u>100</u>	points

Note: Evaluation methods and weights are subject to change.

Grading is separated from the other section.

Video Recording Policy

Make-up classes may be recorded for the convenience and review of students who cannot attend in person. However, regular classes will not be recorded. If you cannot participate in a make-up class, please inform the instructor in advance so arrangements can be made for the recording.

Recorded classes are for personal use only and may not be shared or distributed.

Grading Criteria:

I used a **mixed procedure** to determine the letter grade using **the criteria-based and the distribution-based methods**. When the criteria-based grading can be directly applied, I follow the general guidelines of the university described below.

A = 4.0 (85-100)	B+ = 3.5 (75-84)
B = 3.0 (70-74)	C + = 2.5 (65-69)
C = 2.0 (60-64)	D+ = 1.5 (50-59)
D = 1.0 (40-49)	F = 0 (0-39)

Tentative Class Schedule:

Session	Topics	Details	Materials
1	Class Overview & Intro to Business cycles	<ul style="list-style-type: none"> - Class logistics - What do we study in this class? Roadmaps - Intro to business cycles framework - Framework for Long-run macroeconomy and Trend determination 	<i>W. Ch. 1 / Ch. 2</i> <i>W. Ch. 3</i> <i>M. Ch. 10</i>
2	Long-run Macroeconomy	<ul style="list-style-type: none"> - Production technology & MP - Labor demand curve and its determinants. - Labor supply curve and its determinants - Labor market outcome & Long-run equilibrium - Drivers for Long-term equilibrium & Trends - Linkage to Growth theory 	<i>F. Ch. 3 - 4</i> <i>M. Ch 3</i>
3	AD-AS framework of economic fluctuations 1	<ul style="list-style-type: none"> - Big picture of business cycle fluctuations - Building blocks of core AD-AS model - <i>IS-LM model & Derivation of AD curve (Self-study)</i> - Views on Aggregate supply relation - Incorporating institutional features to the Labor market framework - Derivation of expectation-augmented AS curve & its determinants 	<i>F. Ch 5 – 8</i>
4	AD-AS framework of economic fluctuations 2	<ul style="list-style-type: none"> - Equilibrium representation: Graphical diagrams under multi-market macroeconomy 	<i>M. Ch 11 – Ch 14</i>
5	AD-AS framework of economic fluctuations 3	<ul style="list-style-type: none"> - Shocks propagating mechanism in the closed-economy 1: IS shocks & LM shocks 	
6	AD-AS framework of economic fluctuations 4	<ul style="list-style-type: none"> - Shocks propagating mechanism in the closed-economy 2: AS shocks 	
7	AD-AS framework of economic fluctuations 5	<ul style="list-style-type: none"> - Types of shocks and Self-correcting mechanisms under the Medium-run adjustment process 	
8	Theory of Inflation 1	<ul style="list-style-type: none"> - Long-run behavior of inflation - Cyclical behavior of inflation and Traditional Phillips Relation 	<i>M. Ch 5 ,</i> <i>M. Ch 14</i>
9	Theory of Inflation 2	<ul style="list-style-type: none"> - Expectation-augmented Phillips relation 	
10	Theory of Inflation 3	<ul style="list-style-type: none"> - Short-run and Long-run Phillips curve - Rational expectation and policy neutrality 	
11	Dynamic Model of Economic Fluctuations 1	<ul style="list-style-type: none"> - What's wrong with the traditional AD-AS framework? - Ingredients of modern dynamic AD-AS framework - modern AD curve (IS + Monetary policy rule) - modern AS curve (Output gap-based Phillips curve) 	<i>M. Ch 15</i>
12	Dynamic Model of Economic Fluctuations 2	<ul style="list-style-type: none"> - Model solution, equilibrium, and Analysis 	
13	Dynamic Model of Economic Fluctuations 3	<ul style="list-style-type: none"> - Dynamic response to shocks - Policy implications 	
14	Dynamic Model of Economic Fluctuations 4	<ul style="list-style-type: none"> - Dynamic response to shocks - Policy implications 	

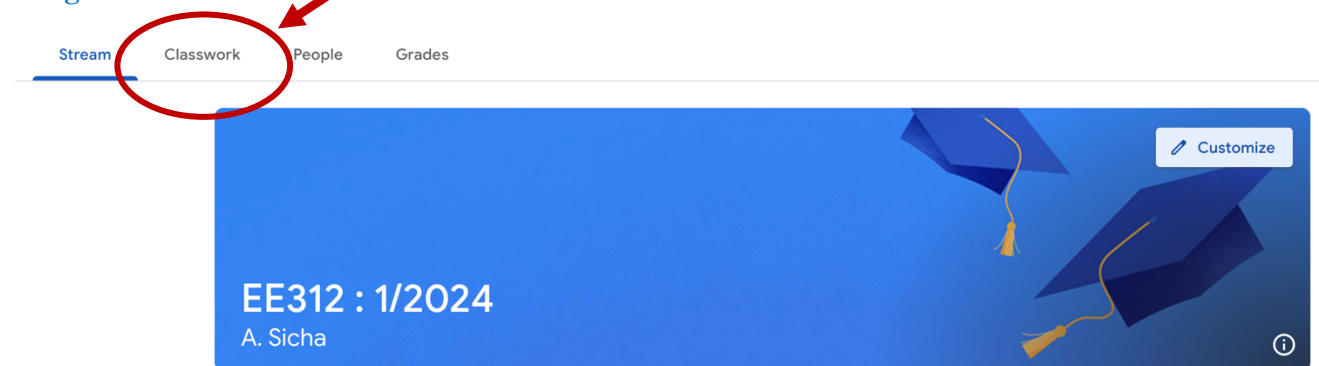
Midterm Exam: March 12, 2025, 15.00-18.00

Session	Topics	Details	Materials
15	Exchange Rate model 1	<ul style="list-style-type: none"> - Basic Concepts of international economy, Forex and Forex market - D&S framework for Exchange rate determination - Applications and impact analysis - Forex market intervention - Domestic implication of FOREX intervention and Financial Sterilization 	
16	Open- economy macro-1	<ul style="list-style-type: none"> - Basic concepts and Model Structure - Balance of Payment equilibrium and BP curve - BP curves under Mundell-Fleming environment and notion of Mundell-Fleming Equilibrium - Disequilibrium adjustment mechanism under Mundell-Fleming environment - Shocks-propagation mechanism in the open-economy 	<i>F. Ch. 14 – Ch. 15</i>
17	Open-economy macro-3	<ul style="list-style-type: none"> - Exchange rate policy: Effect of devaluation or revaluation under fixed exchange rate system - Fiscal and monetary policy under different choices of exchange rate system - Applications: AFC & Impossible Trinity / GFC and QEs (if time permits) - Midterm Exam Q&A 	
18	Static GE model 1: One-period HH Optimizing principle	<ul style="list-style-type: none"> - Micro-founded macroeconomics - Household optimizing theory: Labor supply curve and Consumption demand curve 	
19	Static GE model 2: One-period Optimizing principle	<ul style="list-style-type: none"> - Firm optimizing theory: Labor demand curve and Output supplied curve - Notion of micro-founded General Equilibrium macroeconomy 	<i>W. Ch 4</i>
20	Static GE model 3: Equilibrium representation	<ul style="list-style-type: none"> - Equilibrium representation with D&S diagram ** - Equilibrium representation with Edgeworth Box diagram - Shocks in Static GE model and Application 	<i>W. Ch 5</i>
21	Consumption-Saving & Credit market Equilibrium 1	<ul style="list-style-type: none"> - Basic Intertemporal choice model - Behavioral Implications: Effect of Change in income 	
22	Consumption-Saving & Credit market Equilibrium 2	<ul style="list-style-type: none"> - Behavioral Implications: Effect of Change in real interest rate - Government and Notion of Credit market equilibrium - Credit market equilibrium and Application 	<i>W. Ch 9</i>
23	Real-intertemporal model 1: Two-period HH optimizing principle	<ul style="list-style-type: none"> - Household optimizing theory: Labor supply curve and Consumption demand curve 	
24	Real-intertemporal model 2: Two-period Firm optimizing principle	<ul style="list-style-type: none"> - Firm optimizing theory: Labor demand curve and Investment demand curve 	<i>W. Ch 11</i>
25	Real-intertemporal model 3: Equilibrium	<ul style="list-style-type: none"> - Optimizing AD-AS curve: derivation - Slope of optimizing AD-AS curve - Equilibrium representation 	

Session	Topics	Details	Materials
26	Real-intertemporal model 4: Analysis	- Shocks and Equilibrium Business cycles fluctuations	
27	Real-intertemporal model 5: Analysis	- Shocks and Equilibrium Business cycles fluctuations (contd.)	
28	Growth Theory 1	- Stylized facts & Basic Structure of Solow growth model - Solution method of Solow Growth model - Steady state and Transition path	<i>W. Ch 7 / Ch. 8</i>
29	Growth Theory 2	- Equilibrium Analysis and Some applications - Changes in Steady State Equilibrium	
30	Growth Theory 3	- Limitations of Solow growth model - Buffer sessions - Final Exam Q&A	
<i>Final Exam: May 24, 2025, 13.30-16.30</i>			





Examples of Class Materials Available in the Google Classroom

Google Classroom






Example a Display in the Google Classroom from Past Semester


Recent Announcement ⋮

-  Tentative Final Exam Cover Page Posted May 9, 2023
-  Summary Clip by A. Kittichai Posted May 4, 2023
-  Midterm Exam Cover Page Edited Mar 2, 2023
-  New Zoom Class (room number and pass... Posted Apr 3, 2023

Course Outline ⋮





-  Course Outline Edited Jan 9, 2023
-  15% Homework and Quiz Score : 7% =...  1 Edited Jan 26, 2023

Past Assignment - Self Study ⋮

-  Past Assignment for Self-study Posted Jan 26, 2023





Score Announcement



 Midterm Exam Score Distribution	Posted Mar 31, 2023
 Midterm Exam Score	Edited Mar 31, 2023
 Quiz Score = 8%	Posted Jan 31, 2023
 Homework Score = 7%	Edited Jan 28, 2023





Solution to (paper) Quizzes



 The Solution to Quiz 23	Posted May 5, 2023
 The Solution to Quiz 22	Posted May 3, 2023
 The Solution to Quiz 21	Posted Apr 28, 2023
 The Solution to Quiz 20	Posted Apr 24, 2023


Homework



 Homework 10 : Due 11 May	Posted May 6, 2022
 Homework 9: Due 4 May	Posted Apr 29, 2022
 Homework 8 : Due 27 Apr	Posted Apr 22, 2022
 Homework 7 : Due 20 Apr	Edited Apr 8, 2022

Topic 1. Overview and introduction and Topic 2. Intro... ⋮

 Class note : August 14 Posted Aug 16, 2024 ⋮


 Ch1 - Summary Note Posted Aug 16, 2024 ⋮

 Topic 1. Lecture Presentation Edited Aug 14, 2024 ⋮

Topic 2. Long-Run Macroeconomy ⋮

 Class note : Aug 23 Posted Aug 23, 2024 ⋮

 Class Note : Aug 16 Posted Aug 21, 2024 ⋮

 Lecture Presentation : Ch2 Edited Aug 16, 2024 ⋮







Topic 3. AD-AS framework of economics fluctuations ⋮

 Class note : Aug 28 Posted Sep 7, 2024 ⋮







 Class Note : Aug 23 Posted Aug 23, 2024 ⋮

 Ch 3. Lecture Presentation Edited Aug 11, 2024 ⋮




Topic 4. Theory of Inflation ⋮

 Class note : Sept 11 - Ch4	Posted Sep 11, 2024	⋮
 Editted - Class Note : Sept 6	Edited Sep 19, 2024	⋮
 The Phillip Curve :Examples	Posted Sep 5, 2024	⋮
 Class note : Sept 4	Posted Sep 4, 2024	⋮
 Class note : Aug 30	Posted Sep 2, 2024	⋮
 Chapter 4. Lecture Presentation - u...	Edited Aug 17, 2024	⋮









Topic 5. Dynamic Model of Economic Fluctuations ⋮

 Chapter 5 : Supplement 2	Posted Sep 25, 2024	⋮
 Lecture Presentation Ch5 - Sept 20	Posted Sep 20, 2024	⋮
 Chapter 5 : supplement - for Sept 20	Edited Sep 20, 2024	⋮
 Class note :Sept 18	Posted Sep 18, 2024	⋮
 Class note : Sept 13	Posted Sep 13, 2024	⋮
 Class note: Sept 11 -Ch5	Posted Sep 11, 2024	⋮








Topic 6. Framework for open-economy business cyc... ⋮

 Class note : September 27	Posted Sep 28, 2024	⋮
 Class note : September 25	Posted Sep 25, 2024	⋮
 Lecture Presentation: Chapter 6. Int...	Edited Sep 18, 2024	⋮

Topic 7. A Closed-Economy One-Period Macroecon... ⋮

 Class note : Oct 16	Posted Nov 1, 2024	⋮
 Class note : Oct 26 - Summary Note	Posted Oct 26, 2024	⋮
 Class note : Oct 26 (1)	Posted Oct 26, 2024	⋮
 Class note : Oct 18	Posted Oct 18, 2024	⋮
 Class note : 11 Oct	Posted Oct 11, 2024	⋮
 Class note : Oct 9	Posted Oct 11, 2024	⋮
 Chapter 7 : Summary Note - Part 1 a...	Posted Oct 25, 2024	⋮
 Lecture Presentation CH7. One-Peri...	Posted Oct 9, 2024	⋮

Topic 8. Two-Period model: the consumption-saving... ⋮

 Correction typos: CH8 // P29 and P42	Posted Nov 8, 2024	⋮
 Class note : Nov 6	Posted Nov 6, 2024	⋮
 Class note : 1 Nov	Posted Nov 1, 2024	⋮
 Class note : Oct 30	Posted Oct 30, 2024	⋮
 Ricardian Tax , not fair to teenagers ...	Posted Nov 6, 2024	⋮
 Ch8. Summary Note	Posted Nov 6, 2024	⋮
 Lecture Presentation Chapter 8	Posted Oct 25, 2024	⋮

Topic 9. A Real Intertemporal Model with Investment ⋮

- M Class note : Nov 20 Posted Nov 20, 2024 ⋮

- M Class note : Nov 15 Posted Nov 15, 2024 ⋮

- M Class note : Nov 13 Posted Nov 15, 2024 ⋮

- M Class note : Nov 8 Posted Nov 8, 2024 ⋮

- M Ch 9. Summary Note - Part1 and Part2 Posted Nov 13, 2024 ⋮

- M Lecture Presentation Chapter 9 Posted Oct 25, 2024 ⋮

Topic 10. Long-term Growth Theory ⋮

- M Class note : Nov 29 - Last Class Posted Nov 29, 2024 ⋮

 - M class note : Nov 27 Posted Nov 27, 2024 ⋮

 - M Class note : Nov 22 Posted Nov 22, 2024 ⋮

 - M Chapter 10. Lecture Presentation Posted Oct 25, 2024 ⋮
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Definitions

- A lecture Presentation is a PowerPoint presentation used in the class. It will be uploaded to the GG classroom before the date of each class. A student should prepare it before attending the class.
- A class note is the lecture presentation with the lecturer's writing in the class. It will be uploaded to the GG classroom within 7 days after the class.
- Quiz and Homework Scores will be uploaded in a shared GG sheet. The score for each homework/quiz will be announced within 7 days after the deadline of each homework or after the date of the quiz.

To find the Solutions for assignments:

The solution can be found on either (1) GG classroom (2) your@st.econ.tu.ac.th

EE312 HW10 Solow growth : Due 10 May 2023

Please be careful when you give me your student ID. If you give me a wrong student ID, your homework will not be graded.

demostudent1@st.econ.tu.ac.th [Switch account](#)

* Indicates required question

Email *

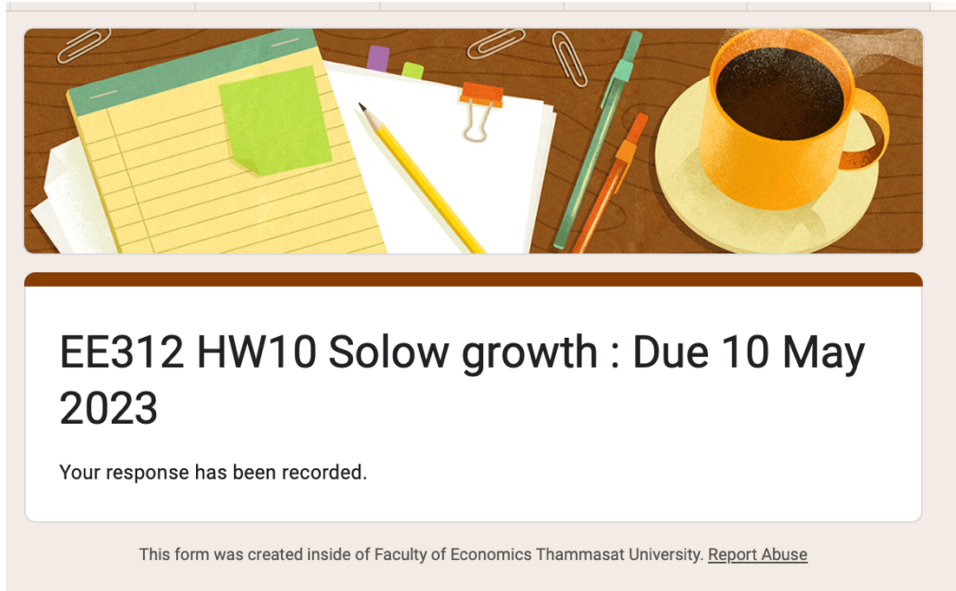
Record demostudent1@st.econ.tu.ac.th as the email to be included with my response

Student ID [*** If you give a wrong answer for this question, your homework will not be graded***] *

Short answer text

Check
the box

After you click “submit”, this page will appear



and a confirmation email with a copy of your homework will be sent to your@st.econ.tu.ac.th mailbox.



In the email, it will appear a copy of your response. This email can be used as evidence of your successful submission of homework.

In some cases, I may send the solution to your@st.econ.tu.ac.th.



Other Policies:

Any changes to the course outline (if any) **will be announced in the on-site class, the Zoom Class, Google Classroom, or Line Official.** It is the responsibility of the students to obtain any information announced in the class. Ignorance of such information due to the absence of class is not a valid defense. If a student has any questions about the lecture, please do not hesitate to consult the lecturer during office hours. The lecturer would be pleased to assist. Please make an appointment in advance via email. Please allow enough time (at least 2 working days) for the lecturer to confirm the appointment. I will be available for you only if you confirm such an appointment by emailing back.

Attendance is highly encouraged

Proper manner and courtesy are expected

A student may contact me by sending an email.

On the night before a test/an exam, the cut-off for any question is 4.00 pm. via email, I can provide only short answers. If you prefer a long answer, please come to visit me by making an appointment.

Class Objectives :

CLO1: Understand and explain the fundamental theories of intermediate macroeconomics, as well as how closed and open macroeconomies work.

CLO2: Identify and interpret key economic data sources and indicators.

CLO3: Apply macroeconomic theories and models to interpret changes in economic indicators and to provide comprehensive evaluations of the impact of real-world situations on the macroeconomy.

CLO4: Effectively construct and communicate ideas in written and oral formats that meet academic standards.

CLO5: Be responsible and accountable by completing individual and group assignments on time.

Expected learning outcomes for EE312 (Applicable)

<i>Categories</i>	<i>Expected Learning Outcome (Applicable)</i>	<i>CLOs</i>	<i>Teaching Methods</i>	<i>Assesment methods</i>
<i>Knowledge</i>	K1. Demonstrate the ability to analyze and solve problems using economic theories and tools, and apply this knowledge effectively in practical work.	CLO 1/ CLO2 / CLO3	Lecture/ Discussion in class,	In-class participations / Quizzes & Group HW / Exams
<i>Skills</i>	S1. Select and apply economic principles, tools, and methods appropriately to solve economic and social challenges.	CLO 1/ CLO2 / CLO3	Lecture/ Discussion in class,	In-class participations / Quizzes & Group HW / Exams
<i>Ethics</i>	E1. Uphold academic integrity and respect academic freedom	CLO3	Lecture/ Discussion in class,	In-class participations / Quizzes & Group HW / Exams
	E3. Recognize the ethical dimensions of economic decision-making and policy design, particularly in relation to social impacts, resource distribution, and sustainability, with a focus on social responsibility.	CLO3	Lecture/ Discussion in class,	In-class participations / Quizzes & Group HW / Exams
<i>Character</i>	C2. Demonstrate a commitment to lifelong learning, creative thinking, openness to diverse perspectives, systematic planning, and continuous self-improvement.	CLO 3 / CLO4 / CLO5	Lecture/ Discussion in class,	In-class participations / Quizzes & Group HW / Exams

Expected Learning Outcomes

1. Morality and Ethics **EE312**

Applicability	Expected Learning Outcomes	Evaluation Method
●	1. Students demonstrate integrity.	Quizzes & Group HW / Exams
○	2. Students prioritize social and public benefits over personal ones.	
●	3. Students are punctual and comply with the code of conduct of the institution and society at large.	Observed class attendance / Quizzes & Group HW / Exams
○	4. Students are responsible and accountable to society, the nation, and the subject of economics.	
○	5. Students realize the cultural and environmental value of a sustainable society.	

2. Knowledge

Applicability	Expected Learning Outcomes	Evaluation Method
●	1. Students know and understand modern economics principles and theories, and are up to date with new developments.	In-class participations / Quizzes & Group HW / Exams
●	2. Students know and understand Thai and global economic structure and the importance of major international economic events.	In-class participations / Quizzes & Group HW / Exams
●	3. Students know and understand the instruments of economic analysis.	In-class participations / Quizzes & Group HW / Exams
●	4. Students know and understand applied fields in economics, including monetary, public, international, business, natural resource, and environmental, industrial, agricultural, cooperative, political, developmental, and entrepreneurial economics as well as agribusiness.	In-class participations / Quizzes & Group HW / Exams
○	5. Students are informed about related fields including sociology, business administration, education, law policy, and science.	

3. Intellectual Development

Applicability	Expected Learning Outcomes	Evaluation Method
●	1. Students have developed individual critical thinking.	In-class participations / Quizzes & Group HW / Exams
●	2. Students are sufficiently trained in research skills.	In-class participations / Quizzes & Group HW / Exams
●	3. Students demonstrate an ability to analyze and synthesize data, as well as appropriately integrate economics concepts to understand the causes of current economic problems in Thailand. Based on analysis and synthesis, students demonstrate an ability to propose policy guidelines to resolve problems.	In-class participations / Quizzes & Group HW / Exams

4. Interpersonal Skills and Responsibilities

Applicability	Expected Learning Outcomes	Evaluation Method
●	1. Students are responsible for assigned tasks and work in groups effectively.	In-class participations / Quizzes & Group HW / Exams
●	2. Students have problem-solving skills.	In-class participations / Quizzes & Group HW / Exams
○	3. Students show leadership skills and team spirit.	
●	4. Students are always improving themselves.	In-class participations / Quizzes & Group HW / Exams
○	5. Students have good interpersonal skills, adapt, and work under different conditions.	

5. Quantitative Analysis, communication, and information technology

Applicability	Expected Learning Outcomes	Evaluation Method
○	1. Students select and apply appropriate statistical and mathematical methods for data processing, interpretation, conclusions, and recommendations to resolve problems.	
○	2. Students communicate effectively and select appropriate presentation methods.	
○	3. Students use information and communication technologies appropriately to gather data as well as process, interpret, and present results.	

Remark: ● Primary expected outcome ○ Secondary expected