



Course Outline

EE212 Principles of Macroeconomics (Section 046401)

Semester 2/2025 (January 5 – May 2, 2026)

Lecture Time: Tuesday, 09.00-12.00 hrs.

Lecture Venue: ECON 303

Teaching Materials Platform: Microsoft Teams

[General | 2025-2 EE212 \(046401\) | Microsoft Teams](#)

Instructor: Asst. Prof. Dr. Nessara Sukpanich

Office Hours: By appointment

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Number of Credit: 3 Credits (3-0-6)

Prerequisite: -

Course Description:

Indicators, goals, and problems in Macroeconomics. Determination of national income, theories of aggregate consumption and aggregate investment, the accelerator principle, money markets, the theory of supply and demand for money, the joint equilibrium model of product and money markets (IS-LM model), the balance of payments, and fiscal and monetary policies as means to stabilize an economy. Collecting and managing Thai macroeconomic for analyzing economic conditions are introduced.

Course Objectives:

Student comprehends the principle of macroeconomics theories and can apply those theories to analyze causes and effects of the movement of various macroeconomic variables in Thailand and some other countries' economies.

Expected Learning Outcomes

The student shall be equipped with knowledge of the principles of macroeconomics. By the end of the semester, students should understand macroeconomic news and be able to analyze the causes and effects of the movement of key macroeconomic variables in Thailand

1. Morality and Ethics

Applicability	Expected Learning Outcomes	Evaluation Method
●	1. Students demonstrate integrity.	Cheating in the exam will be punished according to university rule
○	2. Students prioritize social and public benefits over personal ones.	Group Assignment
●	3. Students are punctual and comply with the code of conduct of the institution and society at large.	Attendance and time of attendance check a part of the participation score
○	4. Students are responsible and accountable to society, the nation, and the subject of economics.	Assignment and exam
○	5. Students realize the cultural and environmental value of a sustainable society.	Assignment

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.	Assignment and exam
●	2. Students know and understand Thai and global economic structure and the importance of major international economic events.	Assignment and exam
●	3. Students know and understand the instruments of economic analysis.	Assignment and exam
●	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.	Assignment and exam
○	5. Students are informed about related fields including sociology, business	Assignment and exam

	administration, education, law policy, and science.	
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3. Intellectual Development

Applicability	Expected Learning Outcomes	Evaluation Method
●	1. Students have developed individual critical thinking.	Assignment and exam
●	2. Students are sufficiently trained in research skills.	Assignment and exam
●	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.	Assignment and exam

4. Interpersonal Skills and Responsibilities

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

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.	Assignment and exam
○	2. Students communicate effectively and select appropriate presentation methods.	Assignment and exam
○	3. Students use information and communication technologies appropriately to gather data as well as process, interpret, and present results.	Assignment and exam

Remark: ● Primary expected outcome ○ Secondary expected

Main Text:

Case, Karl E., Ray C. Fair and Sharon M. Oster (2017), Principles of Macroeconomics (13th ed.): Pearson International Edition.

Froyen, Richard T. (2009), Macroeconomics, Theories and Policies (9th ed.): Prentice Hall.

Recommended Texts & Materials

Lipsey, R.G., Ragan, C.T.S. and Storer, P.A. (2008), Economics (13th ed.): Pearson Addison-Wesley

Mankiw, N.G., Principles of Macroeconomics (2009): South-Western Cengage Learning

Suggested Readings:

To be announced.

Grading Criteria:

Homework and other assignments/quizzes and class attendance	20%
Midterm exam (Tuesday February 24, 2026; 12.00 – 2.00 PM)	35%
Final exam (Thursday May 7, 2026; 1.30 PM – 4.30 PM)	45%

Tentative Class Schedule:

1. Introduction to Macroeconomics (4.5 hours)

- 1.1 Introduction to Economics
- 1.2 Macroeconomic objectives and macroeconomic policy
- 1.3 Types of macroeconomics variables
 - 1.3.1 Stock vs flow variables
 - 1.3.2 Real vs nominal variables
- 1.4 Key Macroeconomic variables
 - 1.4.1 Output/Input
 - 1.4.2 Employment/Unemployment
 - 1.4.3 Price level/Inflation
 - 1.4.4 Interest rate
 - 1.4.5 Exchange rate
 - 1.4.6 Inequality
- 1.5 A brief history of macroeconomics

Read: Case, Fair & Oster, Ch. 5, 7; LRS, Ch. 1, 2, 19, 31; Mankiw Ch. 1, 2, 23

2. National Income and National Product (4.5 hours)

- 2.1 The component of the macroeconomy
- 2.2 Circular flow diagram
- 2.3 National income and product account
- 2.4 GDP vs GNP
- 2.5 Measurement of GDP
 - 2.5.1 Product approach
 - 2.5.2 Expenditure approach
 - 2.5.3 Income approach
- 2.6 Nominal GDP vs. Real GDP and GDP deflator
- 2.7 Limitation of GDP concept

Read Case, Fair & Oster, Ch. 6; LRS, ch.20, Mankiw Ch. 10, 11

3. National Income and Equilibrium Determination (9 hours)

- 3.1 Introduction
- 3.2 Composition of desired aggregate expenditure (DAE)
 - 3.2.1 Desired aggregate consumption expenditure
 - 3.2.2 Desired aggregate investment expenditure
 - 3.2.3 Desired aggregate government expenditure
 - 3.2.4 Desired aggregate net exports
- 3.3 Equilibrium national income
 - 3.3.1 Definition
 - 3.3.2 Determination of equilibrium national income
 - 3.3.2.1 $Y = DAE$ approach
 - 3.3.2.2 Leakage = Injection approach
 - 3.3.3 Changes in equilibrium national income and adjustment to new equilibrium
- 3.4 Paradox of Thrift
- 3.5 Inflationary and deflationary gap
- 3.6 Keynesian, Classical and Non-Keynes non-classical concept

Read: Case, Fair & Oster, Ch. 8; LCR, ch.21, 22

4. Fiscal Policy at Work (3 hours)

- 4.1 Meaning of fiscal policy
- 4.2 Objectives of fiscal policy
- 4.3 Fiscal policy tools
 - 4.3.1 Government expenditure
 - 4.3.2 Government transfer payment
 - 4.3.3 Government revenue
 - 4.3.4 Public debt
- 4.4 Types of government policy

Read: Case, Fair & Oster, Ch. 9; LCR, Ch. 32, Froyen Ch. 18, Mankiw Ch. 21

5. The Money Market and Monetary Policy (3 hours)

- 5.1 Money creation and money multiplier
- 5.2 Money and money market
- 5.3 Money supply and Central bank roles
 - 5.3.1 Money supply
 - 5.3.2 Central bank roles
- 5.4 Demand for money
- 5.5 Equilibrium in money market
- 5.6 Changes in equilibrium money market

Read: Case, Fair & Oster, Ch. 10; LRS, Ch. 27, 28, 29, Froyen Ch. 16, Mankiw Ch. 16

6. The IS-LM Model (9 hours)

- 6.1 Product market and IS curve
 - 6.1.1 Investment, interest rate and product market equilibrium
 - 6.1.2 The derivation of IS curve
 - 6.1.3 Factors determining slope of IS curve
 - 6.1.4 Shifts in IS curve
- 6.2 Money market and LM curve
 - 6.2.1 The derivation of LM curve
 - 6.2.2 Factors determining slope of LM curve
 - 6.2.3 Shifts of LM curve
- 6.3 IS-LM in terms of equation
- 6.4 The IS-LM combined
- 6.5 Changes in equilibrium of product and money market

Read Froyen, Ch. 7

7. Policy Effectiveness (3 hours)

- 7.1 Fiscal policy effectiveness
 - 7.1.1 Fiscal policy effectiveness and slope of IS curve
 - 7.1.2 Fiscal policy effectiveness and slope of LM curve
- 7.2 Monetary policy effectiveness
 - 7.2.1 Monetary policy effectiveness and slope of IS curve
 - 7.2.2 Monetary policy effectiveness and slope of LM curve

Read Froyen, Ch. 7

8. The Ad-AS Model and inflation (6 hours)

- 8.1 Aggregate Demand (AD)
 - 8.1.1 The derivation of the AD curve from the IS-LM model
 - 8.1.2 Move along the AD curve
 - 8.1.3 The shift of AD curve
- 8.2 Aggregate Supply (AS)
 - 8.2.1 Short-run AS
 - 8.2.2 Long-run AS
 - 8.2.3 Move along AS and shift of AS
- 8.3 Equilibrium and changes in equilibrium
 - 8.3.1 Equilibrium in the AD-AS model
 - 8.3.2 Changes in equilibrium in the AD-AS model
- 8.4 The analysis of fiscal policy and monetary policy using the AD-AS model
- 8.5 Inflation
 - 8.5.1 Definition
 - 8.5.2 Causes of inflation
 - 8.5.2.1 Demand-pull inflation
 - 8.5.2.2 Cost-push inflation
 - 8.5.3 Phillips Curve

Read: Case, Fair & Oster, Ch. 12, 13; Froyen, Ch. 8, Ch. 10; LRS, Ch. 23, 24, 25, 30; Mankiw Ch. 20, 21, 22

9. International Economics (3 hours)

- 9.1 Introduction to international trade
- 9.2 The Balance of Payment
- 9.3 Relationship between difference in saving and investment and current account
- 9.4 The market for foreign exchanges
 - 9.4.1 Meaning and importance of foreign exchange rate
 - 9.4.2 Demand for foreign exchanges
 - 9.4.3 Supply of foreign exchanges
 - 9.4.4 Exchange rate system

Read: Case, Fair & Oster, Ch. 19; LRS, Ch. 34, 35, Froyen Ch. 14, Mankiw Ch. 18