Course Outline

EE312 Macroeconomic Theory (Section 046401-2)

Semester 2/2023 (January 8 - May 4, 2024)

Lecture Time/Venue: Section 046401: Wed. & Fri. 09.00-11.00 hours (Room#201)

Section 046402: Wed. & Fri. 13.00-15.00 hours (Room#304)

Instructor: [1] **Asst. Prof. Dr. Kittichai Saelee (First half; until midterm exam)**

Office Room: Room 517; Econ-TU Tha-Pra-Chan bldg.

Email: kittichai_lee[at] econ.tu.ac.th

LMS platform: Google classroom (An invitation link will be sent to your @st email.)*

Office hours: By appointment. Schedule an appointment with your school email.

[2] **Asst. Prof. Dr. Sicha Thubdimphun (Second half; after midterm exam)**

Office Room: Room 469; Econ-TU Tha-Pra-Chan bldg.

Email: sicha@econ.tu.ac.th

LMS platform: Google Classroom (An invitation link will be sent to your @st email.)*

Office hours: By appointment. Schedule an appointment with your school email.

Note: * Instructors will have their own teaching platforms/LMS.

Number of Credit: 4 Credits (4-0-8)

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; 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.

Expected Learning Outcomes EE312

1. Morality and Ethics

Applicability	**Expected Learning Outcomes**	**Evaluation Methods**
●	1. Students demonstrate integrity.	Quizzes / 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 / 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 Methods**
●	1. Students know and understand modern economics principles and theories, and are up to date with new developments.	In-class participations / Quizzes / Exams
●	2. Students know and understand Thai and global economic structure and the importance of major international economic events.	In-class participations / Quizzes / Exams
●	3. Students know and understand the instruments of economic analysis.	In-class participations / Quizzes / 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 / 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 Methods**
●	1. Students have developed individual critical thinking.	In-class participations / Quizzes / Exams
●	2. Students are sufficiently trained in research skills.	In-class participations / Quizzes / 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 / Exams

4. Interpersonal Skills and Responsibilities

Applicability	Expected Learning Outcomes	**Evaluation Methods**
●	1. Students are responsible for assigned tasks and work in groups effectively.	In-class participations / Quizzes / Exams
●	2. Students have problem-solving skills.	In-class participations / Quizzes / Exams
○	3. Students show leadership skills and team spirit.	
●	4. Students are always improving themselves.	In-class participations / Quizzes / 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 Methods**
○	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

Main Texts:

- Mankiw Gregory. Macroeconomics. Pearson Education, 2016 (M.)
- Froyen Richard. Macroeconomics: Theories and Policies. 10th edition. Pearson Education Limited, 2013. (F.)
- Williamson Stephen D. Macroeconomics. 5th edition. Pearson Education Limited, 2018. (W.)

Suggested Readings:

Supplement readings will be posted on the instructor's LMS platform.

Assessments:

Instructor	Types of assessment methods	Weight	Remarks
Ajarn Kittichai (First half)	Quizzes	15 %	All **FOUR** quizzes are scheduled in advance. **No makeup quiz will be given;** check all quizzes' date from the below teaching schedule. The **best three quizzes will be selected** to calculate the overall score of quizzes. The **lowest one will be dropped out.** Each **quiz will be administered after the lecture hours.** Students will have 25 minutes to complete their quizzes. You are required to sit for your quiz in the session that you register for. That is, **if you register for the morning session, you will not be able to take any quizzes during the afternoon session.**
	Midterm exam (with max raw score = 150 points)	35 %	Wednesday, February 28, 2024; 15.00-17.30 hrs. Please refer to the guideline on exam policy below.
Ajarn Sicha (Second half)	Quizzes	10%	There will be approximately one quiz for each class, though this may vary. A maximum of 15 quizzes will be conducted for the 15 classes. We will **drop the four quizzes with the lowest scores** for each student and consider the rest. The quiz for the "After Midterm" session contributes to 10% of the grade. Each quiz will be distributed at the beginning and collected at the end of each class, featuring multiple-choice/short-answer questions. The goal is to help students grasp the main idea of each lecture. **It is mandatory to take the quiz during the session you are registered for**. If you are registered for the morning session, you cannot take quizzes during the afternoon session. If you are registered for the afternoon session, you cannot take quizzes during the morning session. The decision to drop some quizzes with the lowest scores is to accommodate students who might miss quizzes for various reasons. Consequently, if a student misses a quiz, **there won't be a makeup opportunity**, as this has already been factored into the grading system.
	Final exam (with max raw score = 180 points)	40%	Monday, May 13, 2024; 13.30-16.30 hrs. Please refer to the guideline on exam policy below.

Note:

1. Each student's cumulative scores will be updated via each instructor's LMS platform. Check the link to grade spreadsheet posted on the LMS platform. Alert the instructor if you see any errors.

2. The overall scores that you have received from the first half will be posted by the deadline set by BE office. For midterm scores' consultation, contact Ajarn Kittichai.

3. Guideline for midterm and final exams:
    - You must strictly follow the guidelines on the exam set out in the official announcement of the faculty of economics and B.E. international program.
    - Accommodations for students with verified medical conditions will be made according to the University's and Faculty's policies. For privacy purposes and record tracking, please contact B.E. office by email. Your request will be reviewed by B.E. office.
    - Students who miss the exam due to an emergency or unforeseen circumstance should contact the B.E. office as soon as possible. You may file the request to schedule a makeup exam. Your request will be reviewed by B.E. office.

Grading Criteria:

We combine the overall score of students in both sections and jointly determine the letter grade. If the pure criteria-based grading is deemed appropriate and can be directly applied, we follow the general guideline of the university described below. Note that instructors reserve the right to adjust the grading decision as we both see fit.

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)

Note: When the final grade is posted on the Reg-TU system, students may file their request for a grade reconsideration. Contact the BE office if you would like to do so. For the purposes of record tracking, make note in the grade reconsideration form the section number that you enroll, as well the instructor who is responsible for that section. BE office will then review your request. (Sec 01 -Aj.Kittichai & Sec 02 – Aj. Sicha)

Teaching Class Schedule:

Our 30-session teaching course will be divided into two parts. The first half will consist of 15 sessions of lecture taught by Aj.Kittichai. The remaining 15 sessions after the midterm exam will be taught by Aj.Sicha. Below is the teaching plan.

Session	Date		Month	Topics	Details	Materials	Note / Activity
1	10	Wed	Jan	Overview Long-run macroeconomy I	- Class logistics - What do we study in this class? Roadmaps - Framework for Long-run macroeconomy	*W. Ch. 1 / Ch. 2* *W. Ch. 3* *M. Ch. 10*	
2	12	Fri		Long-run Macroeconomy II	- Production technology - Labor market outcome & Long-run equilibrium - Drivers for Long-term equilibrium & Trends - Linkage to Growth theory	*F. Ch. 3 - 4* *M. Ch 3*	
3	17	Wed		Traditional Business cycles AD-AS I	- Big picture of business cycles fluctuations - Building blocks of core AD-AS model - IS-LM model & Derivation of AD curve (Self-study) - Views on Aggregate supply relation - Incorporating institutional features to Labor market framework - Derivation of expectation-augmented AS curve & Determinants	*F. Ch. 5 - 6* *M. Ch 14*	**Details of AD model will be left to your own review. Check the online materials posted in the Google classroom**
4	19	Fri		Traditional Business cycles AD-AS II	- Equilibrium representation in multi-market economy - Shocks propagating mechanism in the closed-economy 1		
5	24	Wed		Traditional Business cycles AD-AS III	- Shocks propagating mechanism in the closed-economy 2 - Self-Adjustment mechanism & Medium-run adjustment process		
6	24	Wed		Theory of Inflation I	- Some Stylized facts of inflation - Cost and Benefits of inflation - Long-run theory of Inflation	*M. Ch 5 & Ch. 15*	**Class scheduled between 17.00 - 19.00 (for both sections)**
7	26	Fri		Theory of Inflation II	- Inflation and business cycles - Traditional explanation and Its mutation in 1970s - Expectation-augmented Phillips curve		**Quiz 1 : Long-Run macroeconomy**

Session	Date		Month	Topics	Details	Materials	Note / Activity
8	31	Wed		Theory of Inflation III	- Expectation-based Phillips curve (contd.) - Long-run Phillips curve - Rational expectation & Policy implications		
9	2	Fri	Feb	Open-economy analysis: *Exchange Rate model I*	- Concept on international transactions - Exchange rate and Forex market - Long-run view to the Exchange rate determination		**Quiz 2 : AD-AS framework of economics fluctuations**
10	7	Wed		Open-economy analysis: *Exchange Rate model II*	- Short-run view to Exchange rate determination - D&S framework for Forex market - Applications	*F. Ch. 14*	
11	9	Fri		Open-economy analysis: *Exchange Rate model III*	- Exchange rate regimes - Forex market interventions		**Quiz 3 : Theory of inflation**
12	14	Wed		Open-economy analysis: *International macroeconomics I*	- Basic concepts on open-economy and Model Structure - Balance of payments equilibrium - New features: Derivation of BP curve & Determinants	*F. Ch 15*	
13	16	Fri		Open-economy analysis: *International macroeconomics II*	- Notion of Open-economy Equilibrium - Disequilibrium Adjustment mechanism under choices of exchange rate system		**Quiz 4: Exchange rate economics**
14	21	Wed		Open-economy analysis: *International macroeconomics III*	- Shocks-propagation mechanism in the open-economy 1		
15	21	Wed		Open-economy analysis: *International macroeconomics IV*	- Shocks-propagation mechanism in the open-economy 2 - Policy Applications - AFC & GFC and other Contemporary issues - Midterm Q&A		**Class scheduled between 17.00 - 19.00 (for both sections)**
	Midterm Exam / Feb 28th 2024 (15.00-17.30: 2.30 hours) - closed book exam						
16	6	Wed	Mar	Static GE model 1: One-period HH Optimizing principle	- Class Logistic -Micro-founded macroeconomics - Household optimizing theory: Labor supply curve and Consumption demand curve	*W. Ch 4*	
17	8	Fri		Static GE model 2: One-period Optimizing principle	- Firm optimizing theory: Labor demand curve and Output supplied curve		
18	13	Wed		Static GE model 3: Equilibrium representation	- Notion of micro-founded General Equilibrium macroeconomy	*W. Ch 5*	

Session	Date		Month	Topics	Details	Materials	Note / Activity
					- Equilibrium representation with D&S diagram ** - Equilibrium representation with Edgeworth Box diagram		
19	15	Fri		Static GE model 4: Analysis and Application	- Shocks in Static GE model and Application		
20	20	Wed		Consumption-Saving & Credit market Equilibrium 1	- Basic Intertemporal choice model - Behavioral Implications: Effect of Change in income	*W. Ch 9*	
21	22	Fri		Consumption-Saving & Credit market Equilibrium 2	- Behavioral Implications: Effect of Change in real interest rate - Government and Notion of Credit market equilibrium		
22	27	Wed		Consumption-Saving & Credit market Equilibrium 3	- Credit market equilibrium and Application		
23	29	Fri		Real-intertemporal model 1: Two-period HH optimizing principle	- Household optimizing theory: Labor supply curve and Consumption demand curve	*W. Ch 11*	
24	3	Wed	Apr	Real-intertemporal model 2: Two-period Firm optimizing principle	- Firm optimizing theory: Labor demand curve and Investment demand curve		
25	5	Fri		Real-intertemporal model 3	- Optimizing AD-AS curve: derivation - Slop of optimizing AD-AS curve - Equilibrium representation		
26	10	Wed		Real-intertemporal model 4	- Shocks and Equilibrium Business cycles fluctuations		
Songkran break: no class (Apr 11 - Apr 17)							
27	19	Fri		Real-intertemporal model 5	- Shocks and Equilibrium Business cycles fluctuations (contd.)	*W. Ch 11*	
28	24	Wed		Growth Theory 1	- Stylized facts & Basic Structure of Solow growth model - Solution method of Solow Growth model	*W. Ch 7 / Ch. 8*	
29	26	Fri		Growth Theory 2	- Solution method of Solow Growth model (contd.) - Steady state and Transition path - Equilibrium Analysis and Some applications		
30	1	Wed	May	Growth Theory 3	- Equilibrium Analysis and Some applications (contd.) - Changes in Steady State Equilibrium - Limitations of Solow growth model		

Session	Date		Month	Topics	Details	Materials	Note / Activity
31	3	Fri		Buffer Session			If needed, the lecturer will inform the students in advance.
	Final exam / May 13 th 2024 (13.30-16.30: 3 hours) - closed book exam						

Note:

[1] Teaching plan can be subjected to change as needed.

[2] To complete 15-session lecture in each part, the instruction in the first half requires one additional session. The session will be scheduled on Jan 24th, between 17.00 - 19.00. Students from both sessions will attend the lecture during the same time.

[3] Class cancelled & Makeup class:

** No class on Feb 23rd. The make-up session will be scheduled on Feb 21st, between 17.00 – 19.00. Students from both sessions will attend the lecture during the same time.

ACADEMIC CALENDAR & HOLIDAY
SEMESTER 2/2023

Semester 2/2023 (January 8 – May 4, 2024)	
Registration (Create Plan from Quota via TU Greats App) (*ID.62-66)	December 18 – 21, 2023.
Tuition Fee Payment Period (Via TU Greats App)	December 18 2023 - January 5, 2024.
Classes Begin	January 8, 2024
Add-drop period	January 8 – 21, 2024 *(from 9.00 AM of January 8 to 10.30 PM of January 21).*
Tuition Fee Payment Period (Via TU Greats App)	January 8 – 22, 2024 *(9 AM - 10.30 PM)*
Mid-term Examination Period	25, 27 - 29 February - 4 March, 2024
*Substitution for Makha Bucha Day **	*February 26, 2024*
Withdrawal period with “W” on record	January 24 – March 17, 2024 *(from 9.00 AM of January 24 to 10.30 PM of March 17).*
Special Withdrawal with “w” on record	March 18 – April 22, 2024
*Substitution for Chakri Memorial Day**	*April 8, 2024*
*Songkran Festival Day**	*April 11 – 17, 2024*
Last day of class for Semester 2/2023	May 4, 2024
*Substitution for Coronation Day**	*May 6, 2024*
Final exam period	May 7 - 21, 2024
Submitting Forms for Degree Conferral	January 8 – 21, 2024

Remark * Holiday, No classes during this period
Updated: November 1, 2023