



COLLEGE OF ACCOUNTANCY AND FINANCE

Study program "Accounting and Finance"

Study course description

Study course title	
<i>In Latvian</i>	Makroekonomika
<i>In English</i>	Macroeconomics
Program part	Compulsory general education study course
ECTS	3
Course description: <i>The course provides basic knowledge of macroeconomic theory and practice. During the course students will be able to determine the role and place of society and individual individuals in the economic development of the country. The course provides the necessary level of knowledge to enable students to judge the macroeconomic aspects of societal development and the course of economic phenomena at national level. The course is capable of promoting the development of a socially active and educated personality who, based on the economic regularities of the understanding of the economic and social processes taking place in a democratic society, is able to participate fully and actively in modern society.</i>	
An aim of the course: The aim of the course is to acquire the basics of macroeconomic theory and to apply it in practice in evaluating various alternatives and making the best economic decisions.	
Learning Objectives:	
<ul style="list-style-type: none">• To acquaint students with the regularities of functioning of the market economy at the macroeconomic level;• To help students understand the macroeconomic decision-making process;• To provide students with knowledge of the realities of Latvian economic policy;• To develop a deeper understanding of the processes taking place in the Latvian economy;• To acquaint students with the economic policy realities of other countries.	
Course Learning Outcomes:	
Knowledge: <ul style="list-style-type: none">• understanding of the nature of macroeconomics and its principles;• knows the importance of key macroeconomic indicators, methods of calculation, application possibilities;• understands the nature of fiscal and monetary policy, the specifics of international trade and international monetary systems, and the historical course of their formation;• the opportunity to put knowledge into practice, at the appropriate level of the economy, in households and in business.	
Abilities: <ul style="list-style-type: none">• is able to orientate in the economic situation of the country, evaluate the main factors in it;• is able to analyze the present and potential problems of the national economy;• is able to study the structure of fiscal and monetary policy in different countries;• is able to analyze the cyclical development of the economy;• understands the specifics of international trade;• is able to solve problematic situations in the issues of state development.	

Competences:

- ability to analyze state development problem situations;
- ability to analyze trends and specifics of the economic development of a particular country;
- ability to assess key macroeconomic indicators on the basis of statistical data analysis;
- ability to carry out research activities.

Course Schedule:**1. INTRODUCTION TO MACROECONOMICS**

The essence of macroeconomics
Macroeconomic Sectors and their Interaction
Basic macroeconomic problem and objectives

2. BASIC MACROECONOMIC INDICATORS

Gross Domestic Product (GDP)
Net domestic product. National income
Nominal and real GDP
GDP and the shadow economy
Structure and dynamics of Latvian GDP
Economic growth

3. MACROECONOMIC EQUILIBRIUM

Total demand, its structure and factors
Total offer: Keynesian and classical approach
Consumption, savings, investments
Short-term and long-term balance

4. MACROECONOMIC INSTABILITY

Economic activity cycle and its phases
Investments, their role in Latvian economy
Inflation, its causes and types
Unemployment: problem, causes, types

5. FISCAL POLICY AND GOVERNMENT DEBT

State budget, its revenue and expenditure
Deficit and government debt
Taxes: Functions, Principles

6. MONEY. BANKING SYSTEM. MONETARY POLICY

The role of central and commercial banks in the economy
Money: functions, demand, supply
Monetary policy
Banking system in Latvia

7. INTERNATIONAL TRADE

Advantages of International Trade
Exports and imports of goods
Description of Latvia's foreign trade

8. INTERNATIONAL CURRENCY RELATIONS AND BALANCE OF PAYMENTS

International currency systems
Real exchange rate and macroeconomic policy
Problems of Latvia's Balance of Payments

The structure of cumulative assessment of students' academic achievement:

Final evaluation of the study course according to ten point system consists of: assessment of independent work, situation analysis and knowledge test.

Form of Control: Students must **complete two** independently performed tasks and pass the exam

Assessment criteria	Proportion, %	Time limit
<ul style="list-style-type: none">Attendance of lectures, practical tasks performance during contact hours	10 %	<i>During semester, academic year, according to the timetable of studies</i>
<ul style="list-style-type: none">Activity and participation in seminars	20%	<i>During semester, academic year, according to the timetable of studies</i>
<ul style="list-style-type: none">Independent implementation of individual tasks	20%	<i>Before the date of exam</i>
<ul style="list-style-type: none">Exam performed in the presence of the lecturer	50%	<i>According to the timetable of studies</i>

Study Language: English

Methods used in study course acquisition: lectures, practical assignments, seminars, independent work, exam.