



COURSE UNIT (MODULE) DESCRIPTION

| Course unit (module) title | Code |
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| Macroeconomics I/III | |

| Academic staff | Core academic unit(s) |
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| Coordinating: Assistant. Prof. Dr Singh Devesh Other: | Vilnius University, Faculty of Economics and Business Administration |

| Study cycle | Type of the course unit |
|-------------|-------------------------|
| First cycle | Compulsory |

| Mode of delivery | Semester or period when it is delivered | Language of instruction |
|------------------|---|-------------------------|
| Face to face | 2nd semester, Spring | English |

| Requisites | |
|---|-------------------------------------|
| Prerequisites: Mathematical Methods | Co-requisites (if relevant): |

| Number of ECTS credits allocated | Student's workload (total) | Contact hours | Individual work |
|----------------------------------|----------------------------|---------------|-----------------|
| 5 | 130 | 64 | 66 |

| Purpose of the course unit | | |
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| To provide knowledge about the macroeconomic systems, giving them an understanding of the interdependency between key economic variables and a set of tools enabling them to undertake systematic macroeconomic analysis. Upon completion of this course, students will gain the capability to: Understanding of macroeconomic systems and the way they work. Ability to analyse macroeconomic phenomena in the real world. Understanding the policy implications and key macroeconomic models. | | |
| Learning outcomes of the course unit | Teaching and learning methods | Assessment methods |
| Will be able to understand macroeconomic systems: A basic understanding of principles and knowledge of current topics of macroeconomic policy. | Lecture, active learning methods (situation analysis, group discussion, task completion), research methods (information search, analysis and synthesis, problem solving). | Written work essay and written exam. |
| Will be able to understand macroeconomic phenomena, identifying economic problems and providing alternatives for their solution. | Lecture, active learning methods (situation analysis, group discussion, task completion), research methods (information search, analysis and synthesis, problem solving). | Written work essay and written exam. |
| Will be able to understand macroeconomic phenomena, identifying economic problems and providing alternatives for their solution. | Lecture, active learning methods (situation analysis, group discussion, task completion), research methods | Power point presentation assignments and written exam. |

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| | (information search, analysis and synthesis, problem solving). | |
| Will be able to analyze and evaluate macroeconomic indicators, explaining their interdependence. | Lecture, active learning methods (situation analysis, group discussion, task completion), research methods (information search, analysis and synthesis, problem solving). | Power point presentation assignments and written exam. |
| Will be able to understand and critically evaluate macroeconomic processes, seeing the perspectives of managing these processes. | Lecture, Active learning methods (group discussion, task completion), research methods (information search, analysis and synthesis, problem solving). | Oral presentation. |
| They will know and be able to apply modern macroeconomic theories, recognise and define macroeconomic problems. | Lecture, Active learning methods (group discussion, task completion), research methods (information search, analysis and synthesis, problem solving). | Written Exam |
| Will be able to identify the logical connections of economic phenomena and identify their differences and similarities. | Lecture, active learning methods (situation analysis, group discussion, task completion), research methods (information search, analysis and synthesis, problem solving). | Written Exam |

| Content | Contact hours | | | | | | | Individual work: time and assignments | |
|--|---------------|-----------|----------|-----------|-----------------|------------|----------------------|---------------------------------------|--|
| | Lectures | Tutorials | Seminars | Workshops | Laboratory work | Internship | Contact hours, total | Individual work | Tasks for individual work |
| Chapter 1 Introduction <ul style="list-style-type: none"> • The foundation of economic growth. • Measuring macroeconomic data. • Concept of the short and the long run in macroeconomics. | 2 | | | | | | 2 | 6 | Nils Gottfries, Chapter 1 |
| Chapter 2 <ul style="list-style-type: none"> • Flow of goods and services in the economy. • Savings, investment, and the current account. • Comparison of income between countries. • Measure real growth of production • Inflation measurement. • The classical model of production in the long run. | 4 | | 5 | | | | 9 | 8 | Nils Gottfries, Chapter 2 |
| Chapter 3 Macroeconomics in the short-run and long-run <ul style="list-style-type: none"> • Money and inflation in the long run. • The open economy in the long run. | 4 | | 5 | | | | 9 | 10 | Jones, C. Chapters 11 and 12 Olivier Blanchard. Chapter 5 |

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|--|-----------|----------|-----------|--|--|--|-----------|-----------|--|
| <ul style="list-style-type: none"> • The open economy in the short run, IS, LM and MP curve • Aggregate demand in the short run. • Monetary policy in the short run. | | | | | | | | | |
| Chapter 4. Special cases <ul style="list-style-type: none"> • The great recession and the pandemic recession. • Macroeconomic policy in open economies. | 4 | | 3 | | | | 7 | 8 | Olivier Blanchard. Chapter 1 Nils Gottfries, Chapter 1 |
| Chapter 5. Macroeconomic Policy <ul style="list-style-type: none"> • Efficient policy frontier, Taylor curve. • Macroeconomic policy under uncertainty, theoretical considerations. • Sustainable government finances. • Money Demand, Money Supply, and the Equilibrium Interest Rate. • Ricardian equivalence. | 4 | | 5 | | | | 9 | 10 | Olivier Blanchard, Chapter 4 Nils Gottfries, Chapter 11 |
| Chapter 6 International Financial System <ul style="list-style-type: none"> • Exchange rate and monetary union. • Real and nominal interest rates in the open economy. • The current account and the real exchange rate. • How integrated are world financial markets? | 4 | | 5 | | | | 9 | 8 | Nils Gottfries, Chapter 4, 13 |
| Chapter 7 Economic Growth Theories <ul style="list-style-type: none"> • Classical Growth Theory. • Neoclassical Growth Theory. • Endogenous Growth Theory. | 4 | | 4 | | | | 8 | 8 | Jones, C. Chapter 10 |
| Chapter 8 Business cycles <ul style="list-style-type: none"> • The trend and the cycle. • A linear trend. • The Hudrick-Prescott filter. • Introduction to the New Keynesian model of the business cycle. | 4 | | 4 | | | | 8 | 8 | Nils Gottfries, Chapter 16 |
| Preparation for the midterm exam, midterm exam | | 1 | | | | | 1 | | |
| Consultation | | 2 | | | | | 2 | | |
| Total | 30 | 3 | 31 | | | | 64 | 66 | |

| Assessment strategy | Weight % | Deadline | Assessment criteria |
|-------------------------------|----------|--------------------------------------|---|
| Independent work on the essay | 15% | During the seminar in February month | <p>Individual assignments (practical assignments and tasks). Assessment criteria:</p> <p>10 points. Questions answered comprehensively, summarised knowledge demonstrated, insights from theoretical literature used, ability to evaluate critically demonstrated, and tasks completed correctly.</p> <p>9 points. The essence of the questions was revealed, summarised knowledge was demonstrated, reasons were explained, and tasks were completed correctly.</p> <p>8 points. Demonstrated coherent knowledge and understanding: essential parts are linked and integrated into a whole, tasks are completed with minor errors.</p> <p>7 points. Multi-structured knowledge demonstrated: focus on several important aspects, but not all of them are properly linked, and tasks are completed with errors.</p> <p>6 points. Demonstrated multi-structured knowledge: focused on several important aspects, but they are not linked together, and tasks are completed with errors.</p> |

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| | | | <p>5 points. Demonstrated single-structured knowledge: answers focused on one aspect, answers based on listing facts, and tasks are completed with errors.</p> <p>4–0 points. Minimum requirements not met, inappropriate or incorrect facts used, incorrect answers or no answers to questions, tasks not completed.</p> <p>The number of points scored by the student is multiplied by 15%.</p> |
| PPT Presentation | 20% | During the seminar in March month | <p>The presentation consists of group/individual assignments in two parts: (1) Presentation – 10%, and (2) Active participation 10%. The presentation assessment criteria are the following: clear presentation of the ideas, the quality of argumentation and conclusions, and the quality of visually presented materials. Active participation refers to raising questions, joining the discussion. The quality of raised questions and arguments in a discussion.</p> <p>Individual/group assignments (practical assignments and tasks). Assessment criteria:</p> <p>10 points. Questions answered comprehensively, summarised knowledge demonstrated, insights from theoretical literature used, ability to evaluate critically demonstrated, and tasks completed correctly.</p> <p>9 points. The essence of the questions was revealed, summarised knowledge was demonstrated, reasons were explained, and tasks were completed correctly.</p> <p>8 points. Demonstrated coherent knowledge and understanding: essential parts are linked and integrated into a whole, tasks are completed with minor errors.</p> <p>7 points. Multi-structured knowledge demonstrated: focus on several important aspects, but not all of them are properly linked, and tasks are completed with errors.</p> <p>6 points. Demonstrated multi-structured knowledge: focused on several important aspects, but they are not linked together, and tasks are completed with errors.</p> <p>5 points. Demonstrated single-structured knowledge: answers focused on one aspect, answers based on listing facts, and tasks are completed with errors.</p> <p>4–0 points. Minimum requirements not met, inappropriate or incorrect facts used, incorrect answers or no answers to questions, tasks not completed.</p> |
| Oral Presentation | 20% | During the seminar in April month | <p>Students have to read and understand the international newspaper article related to the Global Economy and give an oral presentation. This task will evaluate the student's economic literacy and understanding of macroeconomics in the real world.</p> <p>10 points. Questions answered comprehensively, summarised knowledge demonstrated, insights from theoretical literature used, the ability to evaluate critically demonstrated, and tasks completed correctly.</p> <p>9 points. The essence of the questions was revealed, summarised knowledge was demonstrated, and reasons were explained, and tasks were completed correctly.</p> <p>8 points. Demonstrated coherent knowledge and understanding: essential parts are linked and integrated into a whole, tasks are completed with minor errors.</p> <p>7 points. Multi-structured knowledge demonstrated: focus on several important aspects, but not all of them are properly linked, and tasks are completed with errors.</p> <p>6 points. Demonstrated multi-structured knowledge: focused on several important aspects, but they are not linked together, and tasks are completed with errors.</p> |

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| | | | <p>5 points. Demonstrated single-structured knowledge: answers focused on one aspect, answers based on listing facts, and tasks are completed with errors.</p> <p>4–0 points. Minimum requirements not met, inappropriate or incorrect facts used, incorrect answers or no answers to questions, tasks not completed.</p> <p>The number of points scored by the student is multiplied by 20%.</p> |
| Written Exam | 45% | During the seminar in May month | <p>The assessment consists of 5–10 questions (closed and open questions of varying difficulty, ranging from comprehension to assessment of skills) and/or 3–5 tasks (practical tasks and/or other tasks); the assessment score is indicated for each task. Assessment is as follows:</p> <p>10 points. Questions answered comprehensively, summarised knowledge demonstrated, insights from theoretical literature used, ability to evaluate critically demonstrated, and tasks completed correctly.</p> <p>9 points. The essence of the questions was revealed, summarised knowledge was demonstrated, reasons were explained, and tasks were completed correctly.</p> <p>8 points. Demonstrated coherent knowledge and understanding: essential parts are linked and integrated into a whole, tasks are completed with minor errors.</p> <p>7 points. Multi-structured knowledge demonstrated: focus on several important aspects, but not all of them are properly linked, and tasks are completed with errors.</p> <p>6 points. Demonstrated multi-structured knowledge: focused on several important aspects, but they are not linked together, and tasks are completed with errors.</p> <p>5 points. Demonstrated single-structured knowledge: answers focused on one aspect, answers based on listing facts, and tasks are completed with errors.</p> <p>4–0 points. Minimum requirements not met, inappropriate or incorrect facts used, incorrect answers or no answers to questions, tasks not completed.</p> <p>The number of points scored by the student is multiplied by 45%.</p> |
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| <p>A student's knowledge and skills are assessed during the exam session only when he/she have fulfilled the requirements for the assessments and completed all tasks during the semester. Failure to complete the tasks within the specified time will result in a 2-point reduction in their grade. The student's knowledge and skills are assessed with grades from 1 to 10. The course has been passed if:- The results of all tasks and exams are at least 5.</p> <p>- The examination grade is at least 5. The results of the midterm exam are published in the MOODLE (https://emokymai.vu.lt/). The final grade for the subject is published no later than 10 days after the examination (MOODLE, https://emokymai.vu.lt/). The use of AI generative models is prohibited in the learning process when performing tasks. AI generative models cannot be used for the completion of a task. Use of mobile phones will be prohibited in the final Exam. For the external examination, the following formula is applied: Tasks – 40%, submitted no later than 2 weeks before the agreed exam date. Exam – 60%, taken on the agreed date.</p> | | | |

| Author (-s) | Publishing year | Title | Issue of a periodical or volume of a publication | Publishing house or web link |
|---|-----------------|----------------|--|------------------------------|
| Required reading | | | | |
| Nils Gottfries | 2013 | Macroeconomics | 13th | Palgrave Macmillan |
| Olivier Blanchard | 2021 | Macroeconomics | 8th Global Edition. | Pearson Education Limited |
| Abel, A. B., Bernanke, B. S.; Croushore, D. | 2017 | Macroeconomics | 9th ed., global ed. | Pearson Education Limited |
| Jones, C. ‘’, International student edition (2024, or 2020) | 2020 | Macroeconomics | 5th edition | W. W. Norton & Company |

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| | | | International student edition. | |
| Recommended reading | | | | |
| International newspapers | Current year | Global news | Global news section | Financial Times, Economic Times, The Economist, Business Standard |