



## COURSE UNIT (MODULE) DESCRIPTION

| Course unit (module) title | Code |
|----------------------------|------|
| <b>MACROECONOMICS</b>      |      |

| Academic staff  | Core academic unit(s)  |
|---|--|
| <b>Coordinating:</b> Assoc. Prof. Dr Ilona Kiaušienė<br><br><b>Other:</b> | Vilnius University<br>Kaunas Faculty<br>Institute of Social Sciences and Applied Informatics<br>Muitinės str. 8, LT-44280 Kaunas |

| 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     | 2 <sup>nd</sup> semester                | English                 |

| Requisites                                       |                                       |
|--|---------------------------------------|
| <b>Prerequisites:</b> Microeconomics, Management | <b>Co-requisites (if relevant):</b> – |

| Number of ECTS credits allocated | Student's workload (total) | Contact hours | Individual work |
|----------------------------------|----------------------------|---------------|-----------------|
| 10                               | 260                        | 100           | 160             |

| Purpose of the course unit   |   |   |
|--|---|---|
| To provide knowledge about the macroeconomic environment and processes and to develop the ability to research, analyze, and critically evaluate macroeconomic phenomena and indicators, preparing conclusions and proposals based on the analysis. |   |   |
| Learning outcomes of the course unit   | Teaching and learning methods   | Assessment methods  |
| Will be able to plan the learning process and make decisions independently, realizing responsibility for the impact of their activities and their results on society.  | Active learning methods (situation analysis, task completion), research methods (information search, analysis and synthesis, problem solving).                            | Assessment of interim settlements and task performance.         |
| Will be able to work in a team and apply macroeconomic knowledge critically, identifying economic problems and providing solutions.  | Active learning methods (group discussion, task completion), research methods (information search, analysis and synthesis, problem solving).                              | Assessment of interim settlements and task performance.         |
| Will know and understand the categories, methods, and principles of the functioning of the market economy of macroeconomics, and will apply them when making personal and business decisions.  | Lecture, active learning methods (situation analysis, group discussion, task completion), research methods (information search, analysis and synthesis, problem solving). | Exams, assessment of interim settlements, and task performance. |
| Will be able to understand and critically evaluate macroeconomic processes, considering the perspectives of managing them.   | Lecture, active learning methods (situation analysis, group discussion, task completion), research methods (information search, analysis and synthesis, problem solving). | Exams, assessment of interim settlements, and task performance. |



|   |           |          |  |           |  |  |            |            |  |
|---|-----------|----------|--|-----------|--|--|------------|------------|--|
| <b>Unemployment and the labour market.</b> Unemployment and its measurement. Types of unemployment. Labour force. The natural rate of unemployment. Causes of unemployment. Costs of unemployment.  | 2         |          |  | 6         |  |  | <b>8</b>   | <b>12</b>  | Searching for information, reading literature (see points 2, 4, 6, and 7 in the list of literature), analyzing situations, and completing tasks. |
| <b>Public sector. Fiscal policy.</b> Government debt and budget deficits. Fiscal policy objectives. Applying the fiscal policy.   | 2         |          |  | 6         |  |  | <b>8</b>   | <b>12</b>  | Information search, reading literature (see items 1, 2, and 8 in the literature list), analyzing situations, and completing tasks.               |
| <b>Money, banking, and monetary policy.</b> The functions of money. The types of money. Money supply. Demand and money market. Banking system. Money creation in the banking system. Money supply model. Monetary policy: instruments and objectives. | 6         |          |  | 10        |  |  | <b>16</b>  | <b>24</b>  | Information search, reading literature (see items 1, 2, 3, 5, and 8 in the literature list), analyzing situations, and completing tasks.         |
| <b>The IS-LM model.</b> The goods market and the IS curve. The money market and the LM curve. The short-run equilibrium. Applying the IS-LM model.  | 2         |          |  | 6         |  |  | <b>8</b>   | <b>12</b>  | Information search, reading literature (see items 1, 2, and 3 in the literature list), analyzing situations, and completing tasks.               |
| <b>Inflation: its causes, effects, and social costs.</b> Essence and types of inflation. Causes of inflation. Effects of inflation. Price of inflation. Ways to combat inflation.   | 2         |          |  | 6         |  |  | <b>8</b>   | <b>10</b>  | Information search, reading literature (see items 1, 2, 4, and 8 in the literature list), analyzing situations, and completing tasks.            |
| <b>Economic growth.</b> Importance of economic growth. Population growth and technological progress. Growth Empirics and Policy.  | 2         |          |  | 4         |  |  | <b>6</b>   | <b>10</b>  | Information search, reading literature (see items 1, 2, and 3 in the literature list), analyzing situations, and completing tasks.               |
| Preparation for the midterm exam, midterm exam  | 2         |          |  |           |  |  | <b>2</b>   | <b>15</b>  | Independent learning, literature studies. Preparation for and taking the midterm exam.   |
| Consultation  |           | 2        |  |           |  |  | <b>2</b>   |            |  |
| Preparation for the exam, exam  |           | 2        |  |           |  |  | <b>2</b>   | <b>15</b>  | Independent learning, literature studies. Preparation for and taking the exam.   |
| <b>Total</b>  | <b>32</b> | <b>4</b> |  | <b>64</b> |  |  | <b>100</b> | <b>160</b> |  |

| Assessment strategy   | Weight % | Deadline            | Assessment criteria   |
|---|----------|---------------------|---|
| Completion of tasks (case analysis, analysis of the situation, problem-solving task), group work, participation in discussion | 20 %     | During the semester | Individual/group assignments (practical assignments and tasks). Assessment criteria:<br><b>10 points.</b> Questions answered comprehensively, summarized knowledge demonstrated, insights from theoretical literature used, ability to evaluate critically demonstrated, and tasks completed correctly. |

|                        |      |              |   |
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|                        |      |              | <p><b>9 points.</b> The essence of the questions was revealed, summarized knowledge was demonstrated, reasons were explained, and tasks were completed correctly.</p> <p><b>8 points.</b> Demonstrated coherent knowledge and understanding: essential parts are linked and integrated into a whole, tasks are completed with minor errors.</p> <p><b>7 points.</b> 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><b>6 points.</b> Demonstrated multi-structured knowledge: focused on several important aspects, but they are not linked together, and tasks are completed with errors.</p> <p><b>5 points.</b> Demonstrated single-structured knowledge: answers focused on one aspect, answers based on listing facts, and tasks are completed with errors.</p> <p><b>4–0 points.</b> Minimum requirements not met, inappropriate or incorrect facts used, incorrect answers or no answers to questions, tasks not completed.</p> <p>The final score is the arithmetic average of the grades for the completed tasks. The number of points scored by the student is multiplied by 20%.</p>   |
| Interim settlement 1/2 | 15 % | Week 7 to 8  | <p>The assessment consists of 5–10 questions (closed and open questions of varying difficulty, ranging from comprehension to skill assessment) and/or 3–5 tasks (practical and/or other tasks); the assessment score is indicated for each task. Assessment is as follows:</p> <p><b>10 points.</b> Excellent knowledge and skills. Assessment level. 95–100% correct answers.</p> <p><b>9 points.</b> Very good knowledge and skills, there may be minor mistakes. Level of synthesis. 85–94% correct answers.</p> <p><b>8 points.</b> Average knowledge and skills, there are mistakes. Level of analysis. 75–84% correct answers.</p> <p><b>7 points.</b> Knowledge and skills are below average, there are (substantial) mistakes. Level of knowledge application. 65–74% correct answers.</p> <p><b>6 points.</b> Knowledge and skills still meet the minimum requirements. Lots of mistakes. Level of knowledge application. 55–64% correct answers.</p> <p><b>5 points.</b> Knowledge and skills still meet the minimum requirements. Lots of mistakes. Level of descriptions. 45–54% correct answers.</p> <p><b>4–0 points.</b> Minimum requirements not met. Less than 44% correct answers.</p> <p>The number of points scored by the student is multiplied by 15 %.</p> |
| Midterm exam           | 25 % | Week 9 to 10 | <p>The assessment consists of a closed test (20–30 questions of varying difficulty, ranging from comprehension to assessment skills) and/or open questions (2–4, with a score indicated for each question). The assessment is as follows:</p> <p><b>10 points.</b> Excellent knowledge and skills. Assessment level. 95–100% correct answers.</p> <p><b>9 points.</b> Very good knowledge and skills, there may be minor mistakes. Level of synthesis. 85–94% correct answers.</p> <p><b>8 points.</b> Average knowledge and skills, there are mistakes. Level of analysis. 75–84% correct answers.</p> <p><b>7 points.</b> Knowledge and skills are below average, there are (substantial) mistakes. Level of knowledge application. 65–74% correct answers.</p> <p><b>6 points.</b> Knowledge and skills still meet the minimum requirements. Lots of mistakes. Level of knowledge application. 55–64% correct answers.</p>   |

|   |      |               |   |
|---|------|---------------|---|
|   |      |               | <p><b>5 points.</b> Knowledge and skills still meet the minimum requirements. Lots of mistakes. Level of descriptions. 45–54% correct answers.</p> <p><b>4–0 points.</b> Minimum requirements not met. Less than 44% correct answers.</p> <p>The number of points scored by the student is multiplied by 25 %.</p>  |
| Interim settlement 2/2  | 15 % | Week 15 to 16 | <p>The assessment consists of 5–10 questions (closed and open questions of varying difficulty, ranging from comprehension to skill assessment) and/or 3–5 tasks (practical and/or other tasks); the assessment score is indicated for each task. Assessment is as follows:</p> <p><b>10 points.</b> Excellent knowledge and skills. Assessment level. 95–100% correct answers.</p> <p><b>9 points.</b> Very good knowledge and skills, there may be minor mistakes. Level of synthesis. 85–94% correct answers.</p> <p><b>8 points.</b> Average knowledge and skills, there are mistakes. Level of analysis. 75–84% correct answers.</p> <p><b>7 points.</b> Knowledge and skills are below average, there are (substantial) mistakes. Level of knowledge application. 65–74% correct answers.</p> <p><b>6 points.</b> Knowledge and skills still meet the minimum requirements. Lots of mistakes. Level of knowledge application. 55–64% correct answers.</p> <p><b>5 points.</b> Knowledge and skills still meet the minimum requirements. Lots of mistakes. Level of descriptions. 45–54% correct answers.</p> <p><b>4–0 points.</b> Minimum requirements not met. Less than 44% correct answers.</p> <p>The number of points scored by the student is multiplied by 15 %.</p> |
| Exam  | 25 % | Exam date     | <p>The assessment consists of a closed test (20–30 questions of varying difficulty, ranging from comprehension to assessment skills) and/or open questions (2–4, with a score indicated for each question). The assessment is as follows:</p> <p><b>10 points.</b> Excellent knowledge and skills. Assessment level. 95–100% correct answers.</p> <p><b>9 points.</b> Very good knowledge and skills, there may be minor mistakes. Level of synthesis. 85–94% correct answers.</p> <p><b>8 points.</b> Average knowledge and skills, there are mistakes. Level of analysis. 75–84% correct answers.</p> <p><b>7 points.</b> Knowledge and skills are below average, there are (substantial) mistakes. Level of knowledge application. 65–74% correct answers.</p> <p><b>6 points.</b> Knowledge and skills still meet the minimum requirements. Lots of mistakes. Level of knowledge application. 55–64% correct answers.</p> <p><b>5 points.</b> Knowledge and skills still meet the minimum requirements. Lots of mistakes. Level of descriptions. 45–54% correct answers.</p> <p><b>4–0 points.</b> Minimum requirements not met. Less than 44% correct answers.</p> <p>The number of points scored by the student is multiplied by 25 %.</p>                                  |
| <p>A student who (1) throughout the semester consistently fails to demonstrate the achievement of the intended study outcomes of the subject (module) during practical classes (seminars, exercises, laboratory work, etc.) and (2) fails to complete all interim assessment requirements and tasks within the specified time is not allowed to participate in the examination session.</p> <p>The student's knowledge and skills are assessed with grades from 1 to 10. The course has been passed if:</p> <ul style="list-style-type: none"> <li>- The results of all tasks, interim settlements, and midterm exam are at least 5.</li> <li>- The examination grade is at least 5.</li> </ul> <p>The results of the midterm exam are available on MOODLE (<a href="https://emokymai.vu.lt/">https://emokymai.vu.lt/</a>).</p> |      |               |   |

The final grade for the subject is published no later than 5 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 midterm and final exams.

For the external examination, the following formula is applied:

Tasks – 20 %, submitted no later than 2 weeks before the agreed exam date.

Exam – 80 %, taken on the agreed date.

| Author (-s)  | Publishing year | Title                                 | Issue of a periodical or volume of a publication | Publishing house or web link  |
|--|-----------------|---------------------------------------|--|---|
| <b>Required reading</b>  |                 |                                       |  |   |
| 1. Blanchard, O.   | 2017            | Macroeconomics                        | 7 <sup>th</sup> edition                          | Pearson Education   |
| 2. Mankiw, N. G.   | 2025            | Macroeconomics                        | 12 <sup>th</sup> edition                         | New York: Worth publishers  |
| 3. Mankiw, N. G., and Taylor, M. P.                                      | 2023            | Economics                             | 6 <sup>th</sup> edition                          | Cengage   |
| 4. The Core Team   | 2019            | The Economy                           |  | <a href="https://core-econ.org/the-economy/">https://core-econ.org/the-economy/</a> |
| <b>Recommended reading</b>   |                 |                                       |  |   |
| 5. Abel, A. B., Bernanke, B. S., and Croushore, D.                       | 2017            | Macroeconomics                        | 9 <sup>th</sup> edition, global ed.              | Harlow: Pearson Education   |
| 6. Baumol, W. J., and Blinder, A. S.                                     | 2016            | Macroeconomics: principles and policy | 13 <sup>th</sup> edition                         | Boston, MA: Cengage Learning  |
| 7. Boyes, W.J., and Melvin, M.   | 2012            | Macroeconomics                        | 9 <sup>th</sup> edition                          | Mason: South-Western Cengage Learning   |
| 8. Scientific and informational sources analyzing macroeconomic problems |                 |                                       |  |   |